

REMARKS BY MINISTER OF FINANCE AND THE ECONOMY,

SEN. THE HON. LARRY HOWAI

at

University of Trinidad and Tobago Breakfast Meeting on

The Role of Universities in Entrepreneurship

for Socio-Economic Development

Hyatt Regency Hotel, Tuesday September 11 2012

Mr. Chairman,

Sen. the Hon. Fazal Karim, Minister of Tertiary Education and Skills Training;

Mr. Curtis Manchoon, Chairman of the Board of Governors, University of Trinidad and Tobago;

Other distinguished board members of the University of Trinidad and Tobago;

Professor Henry Etzkowitz and other specially invited guests;

Colleagues;

Ladies and gentlemen;

I wish to congratulate the University of Trinidad and Tobago for its kind invitation to participate in this breakfast meeting. I am pleased that you have been able to draw together at this meeting such a knowledgeable group representing Government, industry and academia to address an issue of great importance for policy-makers and entrepreneurs: the Role of Universities in Entrepreneurship for Socio-economic Development. The presence of Professor Henry Etzkowitz, an international scholar in the area of innovation and a leader in creating the infrastructure for ensuring a productive and institutional nexus among universities, businesses and Government would certainly enrich the conclusions of this breakfast meeting.

The University of Trinidad and Tobago was launched in 2004 and has now become an integral tertiary level institution in the local education system. In a very short period of time, the UTT

has made significant strides in achieving its mandate. The UTT now has campuses across Trinidad and Tobago providing our young people with a wide range of education in the areas of arts and education including fashion, engineering, manufacturing, information and communication technology and sciences including agricultural, bio-medical and maritime research.

The Government is committed to achieving a targeted 60% tertiary education participation by 2015 and UTT is integral to the achievement of this target. The Honourable Minister of Tertiary Education and Skills Training has advised that total expenditure on the GATE programme over the period 2005-2011 amounted to TT\$3 billion. The annual expenditure has increased from TT\$102 million in 2005 to TT\$625 million in 2011. The Honourable Minister has also advised that this figure is projected to reach TT\$934 million by 2015, if we are to achieve our targeted human resource skills development goals. It is for this reason that we have

advised that it is important that, in our National Budget, we address all areas of waste and inefficiency in our expenditure patterns to ensure that we get best value for money.

Ladies and Gentlemen, the consolidation of UTT is indeed a success story. We are reaping substantial dividends from our educational investments. The diverse technical institutions under the UTT are preparing our students for work life; and unlike in the past they are being prepared for an intensely competitive economy in which the average work life will span many jobs and more than one profession. Indeed, the likelihood is that increasingly employees would migrate to becoming employers, thereby strengthening the role of medium, small and micro-enterprises in the national economy.

The opportunities for this are limitless in Trinidad & Tobago. Our economy is strong and our macroeconomic fundamentals are good. We have a well-educated workforce and we have reasonably

sound infrastructure. Telecommunication costs are very competitive. In fact, I am advised that telecommunication costs are cheaper in T&T than in the UK. More specifically, regarding fixed broadband prices we are among the lowest in the world; at 27th globally.

Our economy has been able to withstand the vicissitudes of the global economic downturn. Retail sales remain strong and very encouragingly, the volume and value of electronic transactions as measured at merchant point of sale machines have shown consistent increases in volume and value, year over year.

On the other hand, the excellent performance of our economy has given rise to some elements of waste and inefficiency which must be addressed. In particular, there are areas of Government's programme of transfers which need to be addressed. This is what we shall be addressing in our Budget and

perhaps should have been described as eliminating waste rather than introducing austerity.

To be clear, there is room for much optimism and opportunity for new investment, entrepreneurship and growth. With strong demand in the economy, stimulative fiscal policies and interest rates at an all-time low, it has never been a better time to be an entrepreneur than now in the local economy.

There do however, remain downside risks. I am looking to the United States to take steps to implement a credible medium-term fiscal plan to avoid the so-called fiscal cliff which could push that economy back into recession and I also expect that the Euro area will adopt confidence-inducing policy actions to restore growth and employment. We would like to see an improving global environment since we recognise that global conditions will continue to influence micro- and macro-economic developments in Trinidad and Tobago through existing trade and finance

channels. These realities make the promotion of entrepreneurship a timely and critical policy consideration for job creation, economic growth and innovation through the expansion of our skilled workforce.

We are focusing on modernizing the local economy. We are facilitating new investment in our non-energy sectors, in particular: financial services, tourism, downstream energy industries, the maritime sector, information and communication technology and the creative arts. I wish to commend the efforts being advanced by the Ministry of Tertiary Education and Skills Development in ensuring that our education output reflects the demands for such skills which are required for manning our new platform of growth.

In closing, I wish to request the UTT to remain steadfast to its mission and core values of commitment, opportunity, research-driven relevance and excellence. Your efforts play a pivotal role in local economic transformation and must be maintained.

Ladies and Gentlemen, building bridges between our educational institutions, the private business sector and the Government is an essential aspect in generating the skillset which is fundamental for improving individual economic well-being. I would suggest this collaboration be extended to community organisations and the success of such efforts will have a critical bearing on how well we are prepared to meet the challenges of an increasingly knowledge-based economy

I Thank You!