

Welcome Remarks by

**Senator the Hon. Larry Howai Minister of Finance of the Economy, Trinidad
and Tobago**

**At the High Level Forum on “Rethinking Policy to Address Low Growth and
High Debt in the Caribbean”**

**The Rt.Hon.Dr. Ralph E. Gonsalves, Prime Minister
St. Vincent and the Grenadines**

**The Rt Hon Dezil Douglas, Prime Minister
St. Kitts and Nevis**

**The Hon Hubert Hughes
Chief Minister and Minister of Finance, Anguilla**

**The Honourable Reuben Meade
Premier and Minister of Finance, Montserrat**

Ministers of Finance

Hon V Nizam Burke

The Hon Michael Halkitis

Hon. Dr. Ashni Kumar Singh

Hon. Peter D. Phillips

The Hon Dr. Harold Lovell

Ms. Marie Carmelle Jean-Marie

**The Honourable Rudy Indarsingh, Minister in the Ministry of Finance and
Economy, Trinidad and Tobago**

Mr. Min Zhu, IMF Deputy Director and other officials of the IMF

Dr. Warren Smith, President, Caribbean Development Bank

Financial Secretaries and Permanent Secretaries,

Other Distinguished Guests

Ladies and Gentlemen

It is my great pleasure to welcome each and every one of you to Trinidad and Tobago and more specifically to This High Level Forum on “Rethinking Policy to Address Low Growth and High Debt in the Caribbean” being held here in the capital city of Port of Spain, Trinidad and Tobago.

I would like to convey a special welcome to Mr. Min Zhu, Deputy Managing Director, IMF to Trinidad and Tobago and look forward to his insightful perspectives on the deliberations of the Forum later in the proceedings.

I am particularly enthusiastic regarding the possibilities that will emanate from this Forum as it represents an opportunity for policymakers of the region to share their experiences and provide some fresh perspectives on the issues that shape the region’s future. In the current context, the issues of low growth and high debt are high on the agenda.

Both the timing and the theme of this Forum are particularly relevant and timely having regard to the circumstances of the region. The region is clearly at a crossroad and is now called upon to make critical policy choices that will determine our fate in the global economy of the future.

Indeed, this High Level Forum provides an opportunity for the economic leadership of the region to engage in forthright and enlightened discussion on the major dimensions of our current economic and social circumstance with a view to securing a consensus on the new directions for the region.

Certainly the fact that we have with us the Prime Ministers of St. Kitts Nevis, and St Vincent and the Grenadines, the Premiers of Montserrat and Anguilla, six Ministers of Finance and six Central Bank Governors augurs well for the prospects for tangible and committed follow up action from these deliberations.

The countries of the Caribbean face enormous challenges in the current global environment. The major markets for our tourism product, Europe and North America, face deep economic challenges and consequently the recovery of tourism revenues to pre-2008 levels is still some way off and there is little fiscal space left to manoeuvre. In the circumstances, some belt tightening and fiscal adjustment will become a reality.

We, in Trinidad and Tobago, need to be mindful of the challenges that this environment poses and while our focus must be on growth, we must recognize the need for fiscal discipline.

Notwithstanding this, in a world of turbulence T&T has done well. Public debt remains sustainable, the unemployment rate is low at below 5% and foreign exchange reserves are fairly robust at just over 12 months of import cover.

I expect our deliberations to be extremely rich in content as we review the prospects for the World Economy, Latin America, and the Caribbean and seek to define the region's space in the global economy through deliberations on Growth and Competitiveness: A Way Forward for the Region.

We also look to this Forum to help us to identify the supervisory imperatives and policy implications to ensure financial system stability, and provide participants with a better understanding of the risks facing the financial sector including that of the exposure to the real estate sector, contagion risks, high levels of interconnectedness and offshore sector risks.

The Forum would have served its purpose if it provides a measure of shared commitment, both locally and regionally, to some actionable next steps to address the fiscal challenges that we face, define the pathways to financial

stability, and clarify the imperatives for achieving sustainable growth amidst the risks and vulnerabilities of the collection of “small states” that we are.

In closing, I would like to thank the IMF, the CDB, the World Bank and its subsidiary International Finance Corporation and all the agencies that have collaborated in this effort.

I look forward to the reaping the fruit from these deliberations in the earliest time frame.

Thank you