



Government of the Republic of Trinidad and Tobago

2026 BUDGET STATEMENT

***T&T FIRST: BUILDING ECONOMIC FAIRNESS
THROUGH ACCOUNTABLE FISCAL POLICIES***



PRESENTED BY:

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MINISTER OF FINANCE**

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Introduction

Mr Speaker, I am honoured to deliver the UNC's inaugural Budget.

On April 28, 2025, the people of Trinidad and Tobago, by their collective action, gave this UNC Government a resounding mandate to restore good governance, rebuild our economy and improve the lives of every citizen across our beloved nation.

They asked for sincerity and compassion in government. They asked for a credible plan to move Trinidad and Tobago forward.

They asked for jobs, growth, prosperity and social peace. It is therefore a profound privilege to present the 2026 Budget to this Honourable House.

I extend my heartfelt thanks to the Honourable Kamla Persad-Bissessar, our esteemed Prime Minister, for the opportunity to serve and guide the fiscal affairs of Trinidad and Tobago.

Sincere thanks to the dedicated staff of the Ministry of Finance, my Cabinet colleagues, the Ministries and State Agencies and our partners in the private sector and civil society.

Most importantly, thanks to the people of Trinidad and Tobago who participated in our budget consultations, your voices have been heard.

This Budget is a product of national effort, and it belongs to all of us.

Finally, thanks also to my constituents of Fyzabad who voted to give me my seat here in Parliament.

The entire country knows that the PNM left our country in financial difficulties and economic ruin.

None of us could have guessed how far this country had fallen.

Our assessment of the national fiscal position has revealed the severe magnitude of our economic distress and the resultant challenges that lie ahead.

- Deep structural imbalances that trap us in a low-growth cycle;

- a broken and demoralised Tax Administration that prevents us from maximising our revenue potential, persistent deficits;
- rising debts;
- an empty treasury, infrastructure in decay;
- escalating crime and a population feeling very despondent are the legacy of the PNM's decade of destruction.

For ten years, the Rowley Administration presided over a collapse of law and order, allowing criminals to roam free and shattering public confidence in the judicial system.

Our children suffered as the Couva Children's Hospital was mothballed out of spite, financial support for children with special needs was cut, and GATE funding was slashed.

Our elderly and chronically ill were left without critical CDAP medications.

Petrotrin was shut down recklessly, jeopardising fuel security and draining our foreign exchange.

And Tobago, our sister isle, was abandoned, its tourism sector crippled by the sea bridge fiasco and PNM's laissez-faire response to the worst oil spill in the island's history.

This is the shameful legacy of almost ten lost long years.

The UNC Government is taking decisive action in the interest of Trinidad and Tobago.

This 2026 Budget is a realignment of objectives towards a Trinidad and Tobago-first policy.

This budget is underpinned by clarity of purpose and anchored by five strategic pillars; each a critical dimension of national development, designed to deliver tangible and sustainable outcomes for the people of Trinidad and Tobago.

1. The First Pillar is **restoring confidence** and **fiscal stability**.
2. The Second Pillar is **Unlocking Productive Investment and Jobs**.
3. The Third Pillar is **Commercialising and Optimising Public Assets**.
4. The Fourth Pillar is **Modernising Infrastructure, Transport and Digital Services**.
5. The Fifth Pillar is **Protecting the People through Social Investment and Safety Nets**.

Delivery Results: First 150 Days

Immediately following our victory in the last election, we set out to work with urgency, discipline and an unshakable commitment to deliver.

In our first six months, we moved swiftly with tangible actions, real achievements, and measurable impacts that have already begun to change lives.

- **We delivered Justice to Former Caroni Workers:** While the former Administration left them waiting for a decade, this Government, in just 150 days, delivered land leases to more than 200 former Caroni (1975) Limited workers.

Promise made, promise kept!

- **We Secured Landmark Energy Deals:** We signed a historic agreement with Exxon Mobil, which has the potential to strengthen Trinidad and Tobago's energy security.

On October 8, 2025, we obtained the Office of Foreign Assets Control (OFAC) license from the United States Treasury Department to pursue development of gas on the Dragon Field.

These advancements will attract significant foreign investment, create jobs, and unlock new revenue streams.

Promise made, promise kept!

- **We took the Fight to Criminals:** We created three specialised Ministerial portfolios: Justice, Defence and Homeland Security, to prioritise targeted attention on zones of national security weakness.

We have appointed a new Commissioner of Police who is leading an aggressive, coordinated offensive against crime. The results have been immediate: murders and violent crimes are down by **40 per cent** compared to last year.

Promise made, promise kept!

- **We Protected Our Citizens from Floods:** To correct a decade of neglect under the former administration, we launched a targeted **Flood Mitigation and Shelter Management** exercise.

With drain clearance, river desilting, embankment reinforcement, and road rehabilitation in flood-prone communities.

Promise made, promise kept!

- **We kept Our Promise to Public Servants:** By repealing the Trinidad and Tobago Revenue Authority Act and ending years of anxiety for public officers.

Promise made, promise kept!

- **We honoured Our Elderly:** We brought immediate relief to **6,400** senior citizens, whose applications had been abandoned by the former Administration.

Promise made, promise kept!

- **We Put Students First:** By completing repairs to **279** schools under the accelerated School Vacation Repair Programme and distributing **20,000** Book Grants ahead of the new school term, ensuring safe classrooms and stronger starts for our children. We are in the process of delivering **18,000** laptops to the Form 1 student population.

Promise made, promise kept!

- **We Saved Children's Lives:** In June 2025, by amending and strengthening the Children's Life Fund Act, we increased access to children battling life-limiting illnesses, including cancer, blood disorders, heart and kidney diseases and more.

Promise made, promise kept!

- **We are reviving Neglected Facilities:** By initiating the rehabilitation and full operationalisation of the abandoned Couva Children's Hospital, the National Therapeutic Resource Centre at Carlsen Field and the UWI Debe Campus, left to rot by the last Government.

Promise made, promise kept!

- **We upgraded Public Healthcare:** By restructuring the **CDAP Programme** to include new medicines and launching CDAP+ for specialised drugs at affordable, regulated prices.

Promise made, promise kept!

- **We stood up for Law-Abiding Citizens:** By bringing stand-your-ground legislation via the **Home Invasion (Self Defence and Defence of**

Property) Bill, 2025. This Bill is now out for public comment.

Promise made, promise kept!

- **We halted the Property Tax** that created anxiety for thousands of people, including the elderly, retired and low-income.

Promise made, promise kept!

- **We honoured the outstanding wage settlement for NIB workers:** By immediately authorising the payments for the period 2014-2016, which the former Government inexplicably withheld. This is the first step in engaging with the wider public service.

Promise made, promise kept!

This is the record of a UNC Government that performs.

The first 150 days have proven one thing for sure: when you put the UNC in charge, progress is inevitable.

Overview of the Domestic Economy

We were able to deliver all these positives in extremely difficult circumstances.

Let me show you the disastrous record of the last Government.

Real GDP growth in Trinidad and Tobago dropped from **3.7 per cent** in 2014 to **2.5 per cent** in 2024.

Similarly, during this period, the economy shrank by **17 per cent**, with real GDP falling from **\$187 billion** in 2014 to **\$154.9 billion** in 2024.

The country's nominal GDP fell by **8.4 per cent** between 2014 and 2024, from **\$188.9 billion** to **\$173.0 billion**.

Over the last 10 years of PNM policy, the amount of money owed by the country to local and foreign creditors increased by over 100 per cent: from \$69.7 billion or 37.1 per cent of GDP in 2014 to **\$140.7 billion** in 2024.

This represents **81.8 per cent** of our GDP in 2024.

As a result of the PNM's financial bungling, **10.2 per cent** of the country's revenue is now required to service this debt. This places a significant constraint on resources available for national development.

In 2014, this was a mere **4.2 per cent**.

The former Minister of Finance and the 10-day Minister of Finance took our country from a Standard and Poor's A-grade rated economy in 2015 to a triple B minus rating in 2024.

These two incompetent individuals eroded our revenue streams, squandered our reserves, and undermined confidence, leading to seven downgrades in our ratings and outlook over nine years.

Over the same period, Moody's Investor Services downgraded us from investment grade in 2014 to junk status.

Under the PNM, **70,600 jobs were lost**.

According to CSO, **636,800 people** were employed in 2014.

By 2024, PNM had reduced this to 566,200 people, with 70,600 persons pushed into unemployment by the PNM!

To put this into perspective, the population of Tobago is about 60,000. So, the number of persons who were put on the breadline by the PNM, was substantially greater than the entire population of Tobago East and Tobago West combined! Visualise that!

Further, the Labour Force Participation Rate was 61.9 per cent just when we left office.

By March 2025, under the PNM, this rate had collapsed to **54.3 per cent**.

This is of grave concern to this Government, and as I speak, we are implementing measures to significantly improve job creation.

The Honourable Prime Minister will reveal more on this during the debate.

Let's look at our foreign reserves.

At the end of calendar year 2014, Trinidad and Tobago's Net Official Reserves stood at **US\$11,497.1 million**, equivalent to **12.9 months** of prospective import cover.

By March 2025, the Net Official Reserves had collapsed substantially to US\$5,272.1 million, representing 6.1 months of prospective import cover.

This has been the destructive legacy of the wicked PNM over the last decade.

Reduction in the price of Super Gas by \$1

Mr Speaker, you will recall the glee on the face of the former Minister of Finance when he increased the price of fuel over and over again.

Let me remind you that the then Minister gloated and sneered that, because citizens had not rioted yet, he could raise the price of gas again.

And he did again and again and again.

While citizens suffered in pain and frustration as the cost of living skyrocketed, the PNM in Government continued to pile pressure on the backs of those least able to bear it.

That is the hateful conduct from the former government that the people of this country rejected.

Let me announce the first measure of this caring government in this Budget that will benefit every single citizen of Trinidad and Tobago.

Today, Mr Speaker, look at the glee on my face as I make this announcement.

The previous PNM government has been unfairly overcharging citizens for super gasoline.

On behalf of this UNC Government, I wish to announce that in our bid to build economic fairness, the Honourable Kamla Persad-Bissessar has instructed that, effective immediately, the price of Super Gasoline at the gas station pump be reduced by **\$1 per litre**.

The average fuel tank capacity is about 50 litres – this means, every time you go to fill your tank you would be saving \$50 thanks to this reduction!

When UNC wins, Everybody wins!

Mr Speaker, Non-Energy Sector growth is concentrated in **9** industries, with particularly notable contributions from Non-Energy Manufacturing sub-industries, including Food, Beverages and Tobacco Products at **17.1 per cent** and Other Manufactured Products at **4.3 per cent** as well as Transport and Storage at **5.6 per cent** and Trade and Repairs at **1.4 per cent**.

Over the period January to March 2025, real economic activity at basic prices contracted by **2.1 per cent**.

This downturn was due to declines in both Energy at **4.8 per cent** and non-energy at **1.0 per cent** and is forecasted to continue until the end of calendar 2025 due to ongoing geopolitical and trade tensions, as well as reflected institutional weaknesses.

The Energy Sector's lacklustre performance reflects continued declines in Natural Gas Exploration and Extraction, testifying to the previous Government's mediocre efforts in stimulating this critical sector.

The projected growth in the Non-Energy Sector is driven by slower, but positive, growth in Non-Energy Manufacturing, specifically in Food, Beverage, and Tobacco Products as well as in Trade, Repairs, Transport, and Storage.

Positive momentum continues in the non-energy sector, especially in the Accommodation and Food Services, Real Estate, Construction and Financial and Insurance Services industries.

Medium-Term Economic Outlook

I turn to the Medium-Term Economic Outlook. This Government has adopted the UNC Manifesto 2025 as official Government policy to guide the initiatives that will be implemented in the next 5 years.

As a result, we expect stabilisation and positive growth in 2026, as we roll out our development plans and initiate the rebuilding of Trinidad and Tobago.

Trinidad and Tobago's economic prosperity, economic security, energy security and regional stability have also been given a significant boost with the recent United States support for the Dragon Gas proposal.

And we will be exploring every avenue to advance this project.

After years of underperformance, natural gas production is projected to recover from the current levels of approximately **2.6** billion cubic feet per day (bcf/d) to over **3.2** bcf/d by 2027.

As new fields come online, the development of the Manatee field alone, with estimated reserves of more than **2 trillion** cubic feet of gas, will be groundbreaking for our economy.

On the other hand, oil production, which has averaged just **60,000 barrels** per day in recent years, is also expected to benefit from enhanced exploration and development initiatives.

Diversification remains at the heart of our strategy.

We are already focusing on Agriculture, manufacturing, tourism and the service industry, amongst others. Increasing investments and facilitating growth in agriculture and agro-processing will not only support the diversification thrust but also strengthen our agricultural base for food security and reduce our food import bill.

We will also focus on expanding manufacturing exports, boosting medical, sport, health, educational, and cultural tourism, and accelerating digital transformation, among others.

These are expected to generate employment, increase foreign exchange currency, and create opportunities for young people and small businesses.

Foreign exchange shortages remain a challenge for businesses, limiting access to raw materials and production.

The unfair practices at major commercial banks and the Exim Bank have exacerbated these shortages.

This Administration will act decisively to stabilise the external position.

By restoring energy production and creating an enabling environment for business and investment, we will increase foreign currency inflow.

We will ensure that productive sectors have access to foreign exchange.

We have installed new boards at First Citizens Bank and The Exim Bank, and we will move to install a majority of directors at Republic Bank Limited.

I am proud to announce that in our effort to build economic fairness, Tobago's interests will be represented on all three boards, with a Tobagonian on each board.

By accelerating energy production, broadening and deepening diversification, consolidating the fiscal accounts, and taking proactive steps to stabilise the external sector, we will protect Trinidad and Tobago's investment-grade standing and deliver sustainable growth.

Above all, our medium-term plan is about restoring confidence, protecting livelihoods, and creating diverse opportunities for every citizen.

Institutional Strengthening: Accountability and Renewal

The former PNM Government sabotaged the integrity and performance of our very critical institutions.

Your UNC Government has already commenced the strengthening and redesigning of these institutions to be effective, accountable and resilient.

- **Revised Guidelines for the Performance of the State Enterprises, State Owned Enterprises, and Statutory Authorities**

When I assumed Office, I found State Enterprises in a state of absolute decay with multiple examples of corruption, abuse of Office, lack of accountability and lack of transparency.

This is confirmed by the last Report of the Procurement Regulator, which stated that \$5 billion in contracts were illegally awarded by Ministries in one financial year.

Contracts were awarded without tendering, without key performance indicators, with no form of monitoring for value-for-money and in some instances without any verification that contracts were in fact completed.

This was a veritable feeding frenzy of enormous proportions.

The Churchill Roosevelt Highway Extension has cost overruns of over 250 million dollars on a 400-million-dollar original contract.

We are being price-gouged by suppliers for medicines, medical supplies, and medical services to the tune of almost 500 million dollars a year.

Just at Queens Hall nearby, they have been renting a tent worth 30 thousand dollars since 2023.

The three-year contract has cost 2 million dollars thus far and would surpass 3 million dollars when it expires.

Three million dollars in rent for a 30-thousand-dollar tent!

The population was robbed of billions of dollars that could have been spent on medicine, crime-fighting equipment, school supplies, social grants for the vulnerable, infrastructure works to prevent flooding, and more.

All of this happened under the former regime. Over the last **9** years, at this rate, **\$45 billion** was lost to PNM-sponsored theft.

No one was held accountable.

That is why you are seeing PNM appointees resigning and running; they are being called on to account for billions of taxpayer dollars that were wasted.

We are replacing outdated frameworks with modern governance standards.

The Ministry of Finance is updating the obsolete State Enterprise Performance Monitoring Manual.

This will ensure the best international practices concerning corporate governance, accountability, transparency and delivering value for taxpayers' money.

Let me give you just one example of why these changes are critical and are being made:

Mr Speaker, CAL's Management spent more than **\$60 million** on audits from Ernst & Young and PricewaterhouseCoopers, but still failed to submit a single audited financial statement to the Ministry of Finance in over 9 years.

Shockingly, **even in the absence of these audited accounts, the former Minister of Finance repeatedly approved financing for CAL** in 2017, 2018, 2019 and as recently as March 2025 to cover operational shortfalls.

The former Minister of Finance closed his eyes as CAL descended into inefficiency, non-compliance and fiscal indiscipline, leaving behind not a national airline but a national liability.

Worse yet, he actively fuelled this reckless behaviour by repeatedly approving billions in financing without demanding accountability.

In so doing, the MP for Diego Martin North East facilitated mismanagement, normalised waste and corruption and abandoned his responsibility of fiduciary oversight.

This is nothing short of criminal negligence.

But we are now fixing it. We have now installed a strong Board of Directors who are making the hard decisions required to fix our national airline.

This is your Government working to ensure accountable fiscal policies.

- **Repeal of the Trinidad and Tobago Revenue Authority (TTRA)**

One of our first actions upon taking Office was to repeal the Revenue Authority Act and move quickly and decisively to strengthen and equip the Inland Revenue Division and Customs and Excise Division with the technology, skills and legal authority, to deliver timely, efficient and transparent services to citizens, which will result in a broadening of the tax base and a significant enhancement in revenue collection.

The previous Administration under-resourced and neglected both the IRD and the Customs and Excise Division (CED), advancing the TTRA as a replacement.

For example, the Petroleum and Large Taxpayers Business Unit, an entity responsible for approximately **85 per cent** of total tax revenue, was left operating at just **10 per cent** of its required capacity.

The recruitment of **100** accountants and auditors, promised in the 2022 Budget, never materialised.

They deliberately and repeatedly sabotaged the country's largest revenue collector.

From this podium today, I challenge the PNM to tell the country in whose interest they were working when they chose to undermine our tax collection system and compromise the integrity of our country's revenue.

Modernisation of the Inland Revenue Division (IRD)

The modernisation of the IRD is being rolled out.

For well over a decade, the Inland Revenue Division (IRD) has operated under severe human resource constraints.

In contrast, its approved establishment allows for **1,054** posts. As of 2024–2025, only **356** have been filled, with a further **286** offices occupied by acting officers.

This persistent understaffing undermines compliance and erodes the state's credibility.

To address these deficiencies, the Government has advanced a **three-pronged strategy: short-term measures to stabilise operations, medium-term reforms to modernise systems, and long-term initiatives to strengthen institutional capacity.**

Stabilised Operations

In collaboration with the Service Commissions Department, priority is being given to filling all vacant posts and accelerating the recruitment process.

Immediate action will focus on the appointment of:

- **58** Field Auditors I,
- **50** Tax Officers I,
- **33** Revenue Officers I, and critical clerical and manipulative staff.

In addition,

- **64** Tax Auditors,
- **60** Tax Monitors,
- **5** Criminal Tax Investigation Officers and
- **48** ICT Officers

will be engaged on contract to expand audit coverage, arrears collection, return processing, and taxpayer services.

Modernised Systems

We will drive a comprehensive digital transformation of IRD and have commenced procurement of an upgraded GenTax system to underpin the tax administration function at the IRD.

This modern system will support every core function at the IRD, including taxpayer registration, efficient return processing, payments, collections, compliance, and analytics.

The IRD has already achieved 100 per cent electronic tax filing, and this Government will utilise and expand on the advanced features of GenTax to create a seamless, end-to-end digital tax ecosystem that promotes voluntary compliance, fair enforcement, risk-based segmentation, and high-quality service delivery.

Further, the Tax Administration Improvement Unit will be expanded to address the evolving needs of taxpayers.

Build capacity

The immediate priority for the IRD is to stabilise its operational capacity through targeted staffing interventions.

It is anticipated that with this coordinated approach with the Service Commission Department, the promotion of all officers acting in vacant posts and the filling of all vacant entry-level positions will be completed by February 2026.

Obviously, this will result in significantly increased revenue collection.

Strengthening of the Customs and Excise Division (CED)

Customs administrations worldwide strike a balance between border protection and trade facilitation.

In our context, where customs duties, VAT, and motor vehicle taxes constitute a significant share of tax revenue, the Customs and Excise Division is central to both national security and economic management.

Furthermore, the Customs and Excise Division is charged with deterring the illegal movement of firearms, narcotics, counterfeit goods, hazardous substances and undocumented persons.

Despite its mandate, the Customs and Excise Division suffered several constraints over the past nine and a half years, including:

- Outdated legislation, ICT systems, and infrastructure, such as the Automated System for Customs Data (ASYCUDA);
- Understaffing in the Division; and
- Limited capacity for electronic screening and enforcement at transit sheds and ports.

To address these challenges, this Administration has commenced **concerted initiatives to drive the modernisation of the Customs and Excise Division:**

1. Targeted staffing, first:

We are moving swiftly to fill all vacancies in the Customs and Excise Division.

Promotions: We have already adopted targeted staff intervention by recommending to the Director of Personnel Administration individuals currently acting in key roles.

Recruitment: The recruitment process for Customs Guard I, Customs and Excise Officer I and key Information Technology to support the recently upgraded ASYCUDA System is at an advanced stage.

2. Second, support training and human capital development:

In parallel with staffing, we will roll out a comprehensive training programme.

Bridging Gaps: Hand-in-hand with our concerted drive to fill these vacancies, we will roll out a comprehensive and all-inclusive training programme.

The Division will conduct more frequent, risk-based assessments audits of establishments.

Audit teams, which are part of the division Regulatory Unit, will be trained in digital audit techniques, equipped with modern tools created by the World Customs Organisation and guided by annual schedules and surprise spot checks of importers and brokers.

This combined approach will ensure greater compliance, quicker processing, and more consistent enforcement, thereby safeguarding government revenue and promoting fairness in the excise system.

We aim to deploy Preventive Officers to Excise establishments to boost enforcement and reduce revenue leakages.

Reassignments: To enhance efficiency at transit points, staff will be reassigned to critical units such as Valuations, Post-Audit and Transit Sheds.

Retired officers will be engaged to mentor recruits, while additional cashiers will be employed to extend payment hours at Customs locations.

Training School Upgrade: Over the next 24 months, the Customs Training School will be upgraded with modern facilities, simulation labs, online learning capacity, and a structured curriculum aligned with World Customs Organisation standards.

Partnerships: Training will be delivered through partnerships with the US Customs and Border Protection, World Customs Organisation, regional customs schools, and local universities.

Training will cover all officer levels, from induction for recruits to continuous professional development and nationwide e-learning.

Leadership programmes, already launched with US Customs and Border Protection support, will also be expanded to build the next generation of supervisors and managers through targeted training, mentorship, and rotational exposure.

3. Third, technology upgrade:

Electronic payments: To improve the ease of doing business, the Customs and Excise Division, despite after urging the previous regime that refused to implement electronic payments, Customs and Excise will finally be able to do so by the end of 2025.

ASYCUDA Upgrade: In partnership with the United Nations Conference on Trade and Development (UNCTAD), we have launched an **18-month programme** to upgrade the ASYCUDA system.

Under this arrangement, our trade and customs operations will be modernised through the Extended

Digitalisation of Customs using the ASYCUDA World and ASYHUB platforms by streamlining processes, reducing manual interventions, and strengthening risk management.

These processes will significantly reduce clearance times, aiming to transfer between private bonded warehouses within 24 hours, and will lower costs associated with international trade.

They will also enhance revenue collection and provide reliable, real-time information on imports and exports.

The upgraded ASYCUDA system will support full valuation capabilities, electronic declarations, updated trade protocols, and integration with the Port Community System.

To achieve this, in collaboration with the UNCTAD Team, we have formed a partner project team within the Customs and Excise Division and the Ministry of Finance.

This team will be supported by a broad-based steering committee comprising all relevant private and public stakeholders to ensure the project is completed within the targeted 18-month timeline.

I am happy to inform this Honourable House, that on October 7, 2025, the ASYCUDA Agreement was signed between the Ministry of Finance and UNCTAD to deepen our long-standing partnership through extensive upgrades to the world's leading Customs management system.

Furthermore, in the medium-term, we aim to support organisational **review and infrastructure development** at the Customs and Excise Division.

This would include a review of the staffing establishment and a roll-out of improved and more comprehensive training programmes, with strict background and personnel vetting to uphold integrity and transparency.

In keeping with its strategic direction, risk management will be embedded across cargo examination, verification, and delivery to boost efficiency, revenue collection, border protection, and ease of doing business.

To drive this reform agenda, a dedicated Project Team will be established and mandated to oversee implementation.

To strengthen preventive and enforcement capabilities, the Customs and Excise Division will expand its

specialised units over the next 15 to 24 months, enhancing capacity in marine interdiction, canine detection, drone surveillance, and intelligence analysis.

These efforts will be supported by the acquisition of patrol vessels, scanners, vehicles, communication systems, and modern surveillance tools to improve rapid response and non-intrusive inspections.

Operations will also be better integrated through a centralised command centre, joint task forces, and standardised protocols for intelligence sharing and coordinated action.

This institutional strengthening of the Customs and Excise Division is a matter of national survival.

For too long, our borders were left unsecured, our systems outdated, and our enforcement capacity weakened.

Under this new Administration, through strong oversight, we will build a more robust and accountable Inland Revenue Division and Customs and Excise Division.

Ensuring International Tax Compliance

Mr Speaker, the international financial system increasingly demands that countries adhere to the highest standards of transparency and cooperation and failure to do so carries very real costs in terms of borrowing, investment and reputation.

Since assuming office, this Government has acted with urgency and focus to finalise the outstanding requirements.

I am pleased to announce that Trinidad and Tobago, under the guidance and management of Prime Minister Kamla Persad-Bissessar, is on course to be removed from the European Union's list of non-cooperative jurisdictions for tax purposes in February 2026.

Currently, two criteria must be met before we can be formally removed from the list.

The first is Criterion 1.1, concerning the Automatic Exchange of Financial Account Information. Trinidad and Tobago is scheduled to be cleared in the upcoming AEOI Peer Review Update, which will be published in December 2025.

The second is Criterion 3.2, relating to the Base Erosion and Profit Shifting Country-by-Country Reporting standard.

This was confirmed in the OECD's Peer Review Compilation Report released in September 2025, which concluded that Trinidad and Tobago's domestic and exchange-of-information frameworks now meet the minimum international standard, paving the way for our delisting in February 2026.

We expect that such delisting will lower our borrowing cost, deepen our capital market, enhance revenue and strengthen foreign exchange inflows.

For our financial institutions, stronger correspondent banking ties will reduce transaction costs and accelerate payments, directly improving the ease of doing business.

Diplomatically, delisting will remove a significant barrier that has constrained relations with EU Member States. With this obstacle lifted, Trinidad and Tobago will be able to unlock greater cooperation in climate finance, security, technology transfer and capacity building.

Reforming Transfer Pricing

Multinational corporations must pay their fair share of taxes. For years under the previous Government, the issue of Transfer Pricing was raised but never fully addressed in a cohesive and structured manner.

A study by the Economic Commission for Latin America and the Caribbean (ECLAC) estimated that Trinidad and Tobago lost approximately **\$17.5 billion** over eight years due to the failure to act on Transfer Pricing.

Until now, no effort has been made to protect the public purse.

This Government will once and for all review, make adjustments and implement Transfer Pricing legislation to secure and fortify our revenue base.

This primary legislation will be followed by secondary legislation and regulations that will provide the detailed rules, methodologies and compliance obligations to ensure smooth and effective implementation.

Concomitantly, a comprehensive training programme for Transfer Pricing techniques, documentation requirements and audit methodologies will be rolled out at the Inland Revenue Division.

These initiatives will ensure that multinational companies that operate in our jurisdictions pay their fair share of taxes to the people of Trinidad and Tobago.

What those opposite failed or refused to do in 10 years, we will do in 2 years, in the interest of the tax-paying citizens of Trinidad and Tobago.

The benefits to Trinidad and Tobago are wide-ranging, securing revenues and adjusting profit shifting in key sectors, particularly oil, gas, petrochemicals, finance and services.

It will level the playing field for local businesses, ensuring they are not disadvantaged against multinationals that shift profits abroad.

It will provide certainty for investors, who will know that Trinidad and Tobago applies rules that are transparent, predictable and consistent with global practice.

It will enhance our negotiating position with both multinational companies and treaty partners, allowing us to defend our taxing rights with confidence backed by international standards.

Very soon, I will bring draft legislation before this Honourable House, engage with stakeholders, commence officer training and finalise the regulations and guidelines needed to make this reform a reality.

Strengthening Financial Integrity and Financial Action Task Force (FATF) Compliance

Mr Speaker, on September 19 and 26, 2025, the House of Representatives and the Senate, respectively, passed two critical pieces of legislation:

- the **Miscellaneous Provisions (FATF Compliance) Act, 2025**

- and the **Counter-Proliferation Financing Act, 2025**.

These measures represent decisive steps in strengthening Trinidad and Tobago's legislative and regulatory framework against money laundering, corruption, terrorism financing and proliferation financing.

Beyond legislation, this Government is investing heavily in systems and institutions to ensure effective implementation.

The National Anti-Money Laundering and Counter-Financing of Terrorism Committee (NAMLC) has been strengthened, under the leadership of the Attorney General, to drive national coordination.

Capacity-building initiatives are being rolled out for:

- the Financial Intelligence Unit of Trinidad and Tobago;
- the Central Bank of Trinidad and Tobago;
- the Trinidad and Tobago Securities and Exchange Commission;
- law enforcement agencies;
- other Competent Authorities and the judiciary.

This ensures that every arm of the system is prepared to demonstrate effectiveness during the assessment.

Public education and industry sensitisation programmes are also being advanced to support compliance by financial institutions, listed businesses and non-profit organisations.

Trinidad and Tobago also continues to demonstrate its commitment to strengthening its Anti-Money Laundering, Counter Financing of Terrorism and Counter Proliferation Financing (AML/CFT/CPF) framework through the conduct of its second National Risk Assessment, which was published in June this year, as well as the development of the National AML/CFT/CPF Policy and Strategy, which this Government approved in July 2025.

The country is now updating its second National Risk Assessment to ensure we keep abreast with the ever-evolving landscape.

The importance of this work cannot be overstated.

Securing favourable ratings in the 5th Round Mutual Evaluation, will assist Trinidad and Tobago to exit the European Union's list of high-risk third countries, thereby improving access to international financial markets and strengthening correspondent banking relationships.

Mr Speaker, under this Government, Trinidad and Tobago will meet the highest international standards in financial integrity.

CEPEP and URP

This Government is committed to ending the state funding of criminal gangs by eliminating the CEPEP and URP and replacing them with providing full-time, better-paid jobs.

To this end, I have established an Employment Fund in the Ministry of Finance with **\$475 million**, which will be utilised together with the **\$310 million** in the Unemployment Fund for job creation.

The Honourable Prime Minister will provide greater detail on this very critical job creation exercise during her contribution.

Improvements to the National Lotteries Control Board (NLCB)

Combating Illegal Lottery

NLCB is a major contributor of revenue to the Government with annual gross revenues close to **\$3 billion**.

However, illegal lotteries comprising bets and pay-outs facilitated by third parties on the NLCB's legal lottery games continue to impair the NLCB's profit margins.

It is estimated that revenues generated from illegal lotteries are upwards of **\$9 billion** per year.

Additionally, these illicit activities also rob the Government of Income Tax, Corporation Tax, Windfall Tax and Direct Revenues from NLCB's available surpluses.

Furthermore, these illegal operators are reportedly also involved in other forms of illegal activities, including

money-laundering, black market activities and human trafficking.

To combat illegal lotteries, I propose to increase existing penalties under Sections 19, 20 and 21 of the Gambling and Betting Act.

As an example, under Section 19, this penalty will be increased to:

- a fine of **\$250,000** and to imprisonment for **3** years;
- or (b) conviction on indictment to a fine of **\$3.0 million** and to imprisonment for **7** years.

This is consistent with the new penalties that will be implemented as soon as the Gambling (Gaming Betting and Control) Act is proclaimed.

Notwithstanding the illegality of lotteries under the Gambling and Betting Act, it is essential to highlight that current illegal lottery may not be captured under those offences.

Modern illegal lotteries are not conducted independently but instead use the results of the NLCB's Online lottery draws.

In this regard, tickets are issued to players, usually resembling a receipt from a grocery store.

Consequently, to combat this new mode of illegal lottery, the following is proposed:

The introduction of a new criminal offence under the National Lotteries Act, which mirrors Section 19 of the Gambling and Betting Act but which criminalises the receipt of a bet, issuance of a ticket or pay-out of any monies, pursuant to the results of a NLCB's On-line draw, where the person is not an Agent or the NLCB or, where the person is an Agent, the monies are returned to the NLCB.

This offence should be heavily criminalised and carry a fine of **\$250,000** and imprisonment for **3** years, OR conviction on indictment to a fine of **\$3.0 million** and imprisonment for **7** years.

The NLCB's evidence of the results and who are authorised agents would be prima facie evidence for these matters, therefore allowing the NLCB to give evidence to the police that can support criminal prosecutions.

This would enable more NLCB input in fighting against illegal lotteries; and moreover, the offence would define a "ticket" broadly to ensure that "grocery receipts" are covered.

Quarterly Payments and Introducing a Hard and Fast Budget for the NLCB

Mr Speaker, owing to a lack of audits and the broad interpretation of Section 23 of the NLCB Act, NLCB has been able to retain tens of millions of dollars accumulated over the years.

To combat this phenomenon and allow the Government better access to NLCB's revenues, it is proposed that:

- NLCB make quarterly payments to the Consolidated Fund, as opposed to annual; and
- NLCB be subject to financial limits expressed by the Minister of Finance in relation to various items of expenditure. This would ensure that a hard and fast budget by the NLCB would be in place, resulting in better control of revenue retention by the NLCB.

Correcting the Deficit of the Sport and Culture Fund

Finally, pursuant to Section 23A of the National Lotteries Act, Instant Lottery surplus is paid into the Sport and Culture Fund.

However, over the years, the instant lottery has not been profitable, resulting in some years having no deposits in the Sport and Culture Fund.

To combat this, deposits to the Sport and Culture Fund would be set and approved by the Minister of Finance and would not be subject only to the instant lottery surplus.

This, together with the introduction of a hard and fast budget by the Minister of Finance, would allow greater control over NLCB sponsorships and allow better financial management of the Sport and Culture Fund.

Establishment of Financial Oversight & Appropriations Committee (FOAC)

This Committee will provide oversight and performance management for the Government.

He will have the authority to review, approve, and monitor all major Budget Items, such as Ministerial expenditure, projects, and investment decisions, across all Ministries at the sole discretion of the Prime Minister.

This Committee will work alongside the relevant Ministry representatives and stakeholders to ensure the execution and proper management of state resources.

This Committee will be chaired by the Prime Minister, and the Deputy Chair will be the Minister of Finance.

The FOAC will screen major expense items, investment opportunities, projects and funding proposals at a strategic level and provide oversight and governance to advance proposals before Cabinet consideration (and F&GP).

Establishment of Economic Resilience Council (ERC)

Recognising the imperative of sustained economic growth, diversification, and national economic resilience, the Economic Resilience Council will be established to serve as a strategic advising and policy coordinating body.

It will support and guide economic development initiatives that attract investment, stimulate entrepreneurship, generate employment opportunities, and promote equitable prosperity for all citizens.

The Minister of Finance will chair the ERC and retain commercial consultants as needed to provide subject matter expertise.

These consultants will work alongside relevant Ministry representatives and applicable stakeholders to ensure

the execution and proper management of state resources, in line with the approved Budget and Official Policy Framework.

The committee will oversee the Financial Evaluation and Approval of all Economic Transformation Strategies, Borrowings, Investments and Projects over \$50 million.

The Council is mandated to support the nation's economic transformation by facilitating investment, fostering innovation, promoting competitiveness, and guiding the transition toward a knowledge-based, export-oriented, and inclusive economy.

Wage Negotiations and Job Evaluation Exercise

I turn now to our campaign promise to address the outstanding negotiations with the Public Service Association (PSA).

For far too long, our public officers, the backbone of our nation's workforce, have been made to carry the weight of the former Government's neglect and indifference.

This Government is taking this bold and historic step to restore justice, dignity and respect to the hard-working men and women of the public service.

After nine long years of stagnation, we are committed to finally bringing all parties back to the bargaining table to address this long-overdue injustice.

On the completion of the bargaining process, we will work with Republic, First Citizens Bank and the National Insurance Board to find a comprehensive solution to discharge this national obligation.

This Government is focused on delivery and not delay, workers' rights and not neglect, appreciation and not excuses.

In furtherance of the conclusion of negotiations for the Civil Service, Statutory Authorities and Tobago House of Assembly for the periods 2014-2016 and 2017-2019, the Honourable Prime Minister has instructed me to advise the Chief Personnel Officer to submit a revised offer of

10 per cent.

Promise made, promise kept, because, when UNC wins, public servants win!!

I wish to advise the members of the Teaching Service, the Trinidad and Tobago Defence Force, and the Port of Spain and San Fernando City Corporations that this Government will ratify the Collective Agreements signed in April 2025 between the Chief Personnel Officer and their respective Associations/Union/Committee.

The recurrent cost of implementing these Agreements is estimated at **\$214 million** annually, with arrears of **\$730 million** as of December 2025.

Group Health Plan

I would like to share some additional policy decisions that this Government will undertake to improve the lives of all public servants, teachers and Central Government daily-rated workers.

Upon assuming office, I must say that I was shocked to learn that our retirees in these groups are removed from the UNIMED Group Health Plan precisely when medical issues are more likely to arise.

The need for Health Insurance becomes more critical.

Accordingly, I have instructed that an appropriate Request for Proposal be prepared and issued to seek proposals from the market for an option that allows our retirees and their families to retain membership in the public sector health plan.

Job Evaluation Exercises

The Job Evaluation Exercises for the Civil Service are estimated to be completed within the next 6 to 8 months.

This major exercise marks a significant milestone in the modernisation of the Public Service.

This Government is committed to achieving this exercise.

However, apart from the revised job descriptions with updated duties and responsibilities, it will provide another significant opportunity for nationals of this country.

Upon completion of this exercise, approximately 40 per cent of all fixed-term standardised contract positions will be made permanent and pensionable.

In comparison, another **20 to 23 per cent** of non-standard fixed-term contracts will also be 'classified into the new grade structure'.

This exercise will result in the reduction of fixed-term contract employment by as much as **63 per cent** and bring these contract officers within the ambit of the Public Service.

Review of the VAT System

All stakeholders are aware that the Value Added Tax (VAT) has become increasingly onerous to administer.

Businesses are required to file returns and reconcile credits every **2 months**, while the Inland Revenue Division must constantly process and verify refund claims.

This cycle has led to a build-up of refund arrears, which in turn undermines business confidence and strains fiscal management.

This is yet another untenable situation that the previous Government allowed to fester.

Accordingly, this Government is today signalling its intention to review the existing VAT regime and, if feasible, replace it with a simplified, more efficient **Sales Tax** applied at the final point of transaction.

The concept of the Sales Tax system is simpler, more straightforward, easier to administer, and eliminates the persistent and complex problem of calculating and auditing refund claims.

We plan to initiate this review in the current fiscal year with the necessary technical guidance.

The transition will require comprehensive legal amendments, administrative restructuring, IT reconfiguration, and close consultation with stakeholders across the country.

At the same time, the Government will clear the backlog of VAT refunds and bring closure to outstanding arrears.

We will also ensure that any transition to Sales Tax is revenue-neutral and socially balanced, with appropriate protections for low-income households.

Improving Our Place in the World Through Global Partnerships: Strengthening Ties, Expanding Opportunities

India: A New Era of Cooperation

In July 2025, we had the distinct honour of hosting the Prime Minister of India, the Honourable Narendra Modi.

During this visit, Trinidad and Tobago was recognised and congratulated for being the first Caribbean nation to adopt **India's Unified Payments Interface**, a proven digital platform already used by hundreds of millions worldwide.

This secure system, which will be rolled out in 2026, will accelerate financial inclusion, empower small businesses and e-commerce, and strengthen our digital economy.

The Prime Minister of India also made generous contributions to support the development of our people.

India gifted **2,000** laptops to the Prime Minister's flagship Laptop Programme, with the laptops set to arrive in December 2025.

In agriculture, India donated agro-processing machinery valued at **US\$1 million** to NAMDEVCO and extended technical support in Natural Farming systems.

Our health sector also benefited from the generous donation of **20** haemodialysis units and two sea ambulances, which significantly boost our capacity in chronic and emergency care.

Mr Speaker, between October and November 2025, a 50-day Jaipur Foot Artificial Limb Fitment Camp has been established at the Divali Nagar site, benefiting **800** individuals.

Importantly, we signed a Memorandum of Understanding on the **Indian Pharmacopoeia** for the long-term supply of affordable, quality generic drugs and treatment opportunities.

The **Programme of Cultural Exchanges for 2025–2028** between the two nations was renewed, providing opportunities for our steelpan artistes and cultural practitioners to showcase their talent in India.

India also extended their "**Overseas Citizenship of India**" eligibility to the sixth generation of our diaspora, strengthening bonds with thousands of our citizens.

Grenada: Building an Energy and Trade Bridge

With Grenada, we are rebuilding an energy and trade bridge, unlocking Grenada's resources alongside Trinidad and Tobago's world-class services.

On July 29, 2025, the TT and Grenada Chambers of Industry and Commerce signed a cooperation agreement to pursue joint ventures, market access and regional expansion.

United States: Security and Energy Cooperation

We are modernising collaboration with the United States under the Caribbean Basin Security Initiative to strengthen border and maritime security, counter drug and firearms trafficking, and dismantle organised crime.

The partnership has already produced tangible benefits, including donated hospital equipment and the U.S. Naval Ship COMFORT mission, which provided free medical, dental, and eye-care services to nearly 2,000 citizens.

A new multi-million-dollar agreement with ExxonMobil for ultra-deep-water exploration off our east coast, signed in August 2025, marks the company's return after two decades.

If discoveries prove viable, it will anchor Trinidad and Tobago as the hemisphere's energy hub.

During the Honourable Prime Minister's recent visit to Washington, discussions with Secretary of State Marco Rubio reaffirmed our partnership on security and counternarcotics cooperation.

For reference The United States commended our efforts to counter transnational criminal organisations and stem illicit firearms and narcotics flows.

Both Governments also pledged continued support for UN-led efforts to stabilise Haiti.

China and the United Arab Emirates (UAE): Strategic Investment

Mr Speaker, during the Prime Minister's attendance at the 80th UN General Assembly, bilateral agreements were signed with China and the UAE.

China will provide a **US\$94 million** grant to fund national projects, including new fire tenders for under-resourced stations.

The UAE arrangement allows visa-free entry for diplomatic and official passport holders and includes an MOU to rehabilitate the Couva Children's Hospital.

These partnerships are practical, not ceremonial — they expand foreign exchange earnings, attract investment, strengthen border security, and open new opportunities for business and people alike. We will drive them with urgency so that diplomacy delivers jobs, competitiveness, and prosperity.

Strengthening Infrastructure for a Safer, Connected Nation

Providing Reliable and Resilient Infrastructure

Modern infrastructure is the backbone of a modern economy.

When this Government assumed office, bridges were unsafe, drains blocked, and coastal roads eroding.

That era of neglect is over.

Through the "Boots-on-the-Ground" Initiative, the Ministry of Works and Infrastructure is identifying roads, drains, and bridges most in need of rehabilitation, putting people first and restoring safe, reliable access nationwide.

Advancing Flood Mitigation and Drainage Programme

In Fiscal 2026, we will advance a comprehensive programme to safeguard lives and property.

- Under the Strategic Drainage Plan, \$13.8 million will fund studies and designs in South Oropouche, and \$60 million for structural works in Caroni and Oropouche.
- The Flood Mitigation and Erosion Control Programme will execute 18 ongoing and 119 new projects worth \$238.6 million, with \$29.95 million for river clearing and embankments in high-risk communities.
- Pump-house upgrades and the near-completion of the Caroni River Rehabilitation Project will reinforce flood defences and protect farmlands and homes.

These 566 projects will bring lasting solutions and more climate-resilient communities across Trinidad and Tobago.

Investing in Highways and Roads

Approximately \$1.1 billion will be spent to modernise roadways and improve safety.

- Port of Spain to East/West Corridor works include an overpass at the Churchill Roosevelt and Southern Main Road junction and Macoya Interchange designs (\$126 million).
- Upgrades continue on Saddle Road, Wrightson Road, Uriah Butler, and South Trunk Highways.
- Major highways include CRH Extension to Manzanilla (\$155 million), Valencia–Toco Road (\$248.7 million), and Solomon Hochoy Extension to Point Fortin (\$351 million).
- Ninety-three projects will repair landslides, bridges, and rural roads, including the rehabilitation of the Naparima–Mayaro Road.

A new Highways Information System will enable real-time monitoring and planning, supported by upgraded operations of the Agua Santa Asphalt Plant.

Investing in Bridges

The Bridge Rehabilitation Programme continues with seven major projects.

Colonial and Papourie Road bridges are under construction; new bridges in Carapichaima, Mayaro, Williamsville, Valencia, and Couva North will begin before the end of this calendar year.

Delivering a Modern and Connected Transportation Network

Through the new Ministry of Transport and Civil Aviation, we will implement an ambitious programme to modernise public transport, traffic management, and aviation.

We will finally operationalise the Motor Vehicle Accident Fund, first approved in 2015 but never enacted, which will provide relief to victims of uninsured drivers.

At the same time, we are rolling out the National Transportation Policy to cut travel times and reduce collisions through better signal equipment, backup power, and a modern Traffic Management Centre.

The Public Transport Service Corporation (PTSC) will introduce electric buses under a leasing pilot of 30 units by mid-2026 and expand routes through a PPP with maxi-taxi operators to ensure rural connectivity.

The Intelligent Public Transport Solution will feature a commuter app, e-ticketing, and real-time schedules.

The A.N.R. Robinson International Airport will be fully operationalised by the second quarter of Fiscal 2026, strengthening Tobago's tourism and positioning TT as a regional air hub with new bilateral air service agreements across the Americas and Africa.

Strengthening Coastal Protection

\$298.9 million is allocated to protect communities from coastal erosion.

Work will commence at Lady Hailes Shoreline, Granville, and Otaheite, and new projects in Salybia, Macqueripe, and Maracas Bay will safeguard tourist and fishing sites.

Supporting Ports and Maritime Development

The Port Authority will procure a third ship-to-shore crane and refurbish the CARICOM Wharf to boost regional trade.

Removal of shipwrecks in Chaguaramas, Claxton Bay, and San Fernando will improve navigation and safety.

Modernising Health Care Infrastructure

Mr Speaker, better health care is central to our agenda. The Couva Medical and Multi-Training Facility will finally open, focusing on children's health.

The San Fernando Hospital will add a new catheterisation lab, the POS General Hospital Central Block will be operationalised by March 2026, and the Sangre Grande Hospital commissioned this fiscal year.

A \$35 million refurbishment programme and \$45 million in facility upgrades will modernise wards and systems. \$60 million will procure critical equipment including CT scanners, X-ray units, and surgical towers.

To cut surgical wait-times, \$20 million is earmarked for cardiac care, \$100 million for dialysis, and \$10 million for orthopedic and eye surgeries.

Dental services will be revived through new equipment in 37 clinics.

Mr. Speaker we will cut wait-times for life-saving procedures because faster care saves lives!

Public Utilities

Mr. Speaker, access to reliable utilities is a fundamental right. Between May and July 2025, over \$150 million was invested in projects that improved service to households nationwide.

Through the Utilities Assistance Programme, \$7.2 million in water and electricity bill relief reached more than 12,000 families, and \$1.8 million was allocated for tanks and solar panels for rural households.

This fiscal year \$250 million will expand rural electrification and grid upgrades, installing 8,000 LED streetlights to improve safety and reduce costs.

Renewable energy projects worth \$75 million will begin, advancing our clean-energy goals.

TSTT will invest \$200 million to expand fibre-to-home connections and strengthen cybersecurity, while \$2 million will fund youth entrepreneurship through YBTT.

Mr Speaker, we made the strategic decision to cancel the WASA Transformation Plan, preserving 3,700 jobs and redirecting \$30 million in savings to critical services.

Water supply has improved dramatically in areas long neglected — Carapal (+1.5 million gallons per day), Navet (+600,000 gpd), Siparia (from every 9 days to 3 times weekly), and Maracas Bay (now 5 days weekly).

\$300 million will replace pipelines in Port of Spain, San Fernando, and Arima. A \$50 million smart-metering programme will improve billing accuracy and reduce losses. Supporting Local and Rural Development

Mr Speaker, Local Government is the face of the State in communities.

The Local Government Sector Plan 2025–2030 will reset municipal delivery on four principles: accountability, data-driven execution, resilience, and citizen-focused service.

Disaster Management Units are being equipped with boats, early-warning systems, and trained Community Emergency Response Teams. Schools will play a role in public education.

We will strictly enforce litter and dumping laws and modernise penalties to deter offenders. Equipment provided by partners such as Japan and the United Nations will help tackle sargassum and coastal clean-up efforts.

Securing the Future of Energy and Energy Industries

Strengthening Crude Production

Mr Speaker, energy remains the backbone of our economy.

In April 2025, crude and condensate output averaged 52,357 barrels per day, rising to 55,257 by August — an increase of nearly 3,000 barrels.

Gains came from bpTT, EOG Resources, and Heritage Petroleum, supported by the Mento Development project that achieved first production in May.

Heritage is expanding its drilling campaign, and Perenco's acquisition of shallow-water assets from bpTT and Woodside is expected to boost mature-field output.

Natural Gas Expansion

Gas production rose from 2.41 to 2.73 billion cubic feet per day between April and May 2025, driven by bpTT's Cypre Phase 1 and the Mento field. Phase 2 of Cypre will further strengthen supply.

Foreign investment in upstream remains robust — US\$2.2 billion projected in 2025, rising to US\$2.5 billion in 2026.

The Deepwater Bid Round offering 26 blocks closed with four bids, and a US\$42.5 million PSC was signed with ExxonMobil for TTUD-1, marking renewed international confidence.

We are advancing energy cooperation with Grenada, Suriname, and Guyana on exploration, renewable energy, and capacity building.

Negotiations with the Trinidad Steel Company for a new gas contract will restart steel production, creating jobs and reviving exports.

Renewable Energy: Transitioning to a Low-Carbon Future

Mr Speaker, as we maximise oil and gas returns, we remain committed to renewables.

Our goal is a 15% emissions reduction by 2030.

The 92.2-megawatt Brechin Castle solar plant began delivering green power in July 2025 and will be the largest in the English-speaking Caribbean when completed.

We are finalising a Renewable Energy Policy and progressing toward wind development — with 2.75 gigawatts onshore and 32 gigawatts offshore identified.

The Offshore Wind Resource Assessment Programme, expanded in July 2025, will provide bankable data by 2026.

We are also laying the foundation for a Green Hydrogen Economy, aiming to scale to 25 gigawatts of offshore wind and 1.5 million tonnes of hydrogen by 2044, reaching 4 million tonnes by 2065.

This Government is not merely managing the sector; we are shaping its future.

Economic Diversification: A New Reality – Agriculture, Manufacturing and Tourism

Encouraging Agriculture

Mr Speaker, agriculture is central to diversification and food security.

It currently contributes less than 1% of GDP — a strategic vulnerability we must reverse.

We will align with CARICOM's "25 by 2025" initiative to reduce food imports by at least 25% by 2030 while promoting agro-exports.

Key measures include:

- A 3-Year Priority Commodities Programme for 15 high-demand products, with annual focus on three crops and one livestock category.
- Climate-resilient farming and crop insurance, greenhouse incentives, and water-harvesting systems.
- Integration of agriculture into schools and youth entrepreneurship through the Youth Agricultural Fund.
- Export growth in fine-flavour cocoa, Moruga pepper, and aquaculture, doubling agro-exports by 2028.

\$793.7 million will be invested in infrastructure, irrigation, fisheries, land development, and agri-tech initiatives.

Smart Agriculture and AI Farming will increase efficiency and self-sufficiency, targeting \$1 billion in exports next fiscal year.

We are distributing long-promised land leases to former Caroni workers and developing residential lots at Caroni and Orange Grove.

Supporting Manufacturing and SMEs

Mr Speaker, diversification depends on competitive businesses.

A new Export Academy, in partnership with the TT Chamber and the IDB, will train SMEs in trade facilitation, financing, e-commerce, and global marketing — building 100 export-ready firms every year.

The EXIMBANK will return to its proper mandate of supporting exporters through foreign-currency loans.

For the first year, repayments will be made in TT dollars, then in the currency of the loan. Transparent eligibility criteria and public reporting will ensure fairness, especially for SMEs.

Facilitating Trade and Investment

We will launch a National Registry of Exporters and a patriotic "Buy Local, Build Trinidad" campaign to keep wealth at home.

Partial-scope agreements are being advanced with India and West Africa.

Trinidad and Tobago's marine sector will be repositioned as a Southern Caribbean yachting and marine services hub.

Simplified immigration and customs procedures, digital clearances, and PPP-driven marinas and super-yacht facilities will expand tourism and investment.

Our investment targets are clear: US\$3 billion over two years and US\$9 billion in five years, aimed at creating 3,000 jobs.

Standardised investor documentation, stronger inter-agency coordination, and better aftercare will ensure delivery.

Idle or distressed state assets will be repurposed for revenue, including the redevelopment of the long-abandoned Caroni Racing Complex into a world-class convention centre.

Town and Country Planning will be re-engineered for end-to-end digital processing within 30 working days, with national e-KYC for easy verification.

Private Sector Organisation of Trinidad and Tobago

Mr Speaker, we cannot build growth without partnership. The new Private Sector Organisation of Trinidad and Tobago (PSOTT) will unite chambers and associations to coordinate investment and drive innovation.

Promoting Trade Diversification

In Fiscal 2026, stakeholder consultations will inform sectoral export strategies.

We will implement the National E-Commerce Strategy 2025–2030, finalise the National Consumer Policy, and operationalise the TT–Chile Partial Scope Trade Agreement, granting duty-free access for 213 products immediately and 54 more within three years.

The Orange Economy/ Creative Industries

We will expand our cultural industries through a Creative Value-Chain Fund supporting film, fashion, design, and music.

Enhanced IP protection and duty concessions will empower creatives and generate thousands of jobs.

Growing Tourism

Tourism remains a high-growth sector. We will develop new products in the medical, sport, and cultural tourism sectors; facilitate the completion of hotels, including Four Points, Hampton Inn, and Maracas Bay; and advance Tobago's Marriott and Elephant Tree Resorts.

The visitor experience will be modernised through secure cashless payments and improved connectivity.

A year-round "Carnival City" and the Turtle Tourism Capital initiative will integrate culture, conservation, and community benefit.

Direct US flights to Tobago will strengthen access, and incentives for global hotel brands will spur foreign investment and job creation.

Advancing Social Sector Investment: Investing in People, Investing in Progress

Mr Speaker, a nation's real wealth lies in its people. Growth means little if it does not improve lives and expand opportunity.

Through our People-Centred Development Framework, we are restoring dignity, equity, and hope by investing in sport, education, housing, and healthcare so that every citizen can rise.

Supporting People and Social Development

Working with the World Bank, we are reforming social protection to ensure that assistance reaches those most in need.

Beneficiary data are being integrated, payments digitised, and compliance strengthened.

Between May and July 2025, Senior Citizens' Pensions supported 115,252 persons (\$1.12 billion);

Public Assistance Grants aided 14,000 (\$65 million); Food Support reached 12,700 homes (\$23 million); and Disability Grants served 25,600 citizens (\$154 million). Another \$46 million was channelled through NGOs to deliver specialised services.

Youth Development

Our youth are the engine of national renewal. Programmes such as YouTEC have trained hundreds in cosmetology, events, and culinary arts, granting CVQ certification.

Healthcare, drilling-rig, plumbing, and technical training have created new career pathways.

The refurbishment of Youth Development Centres in Chatham, Persto Praesto, El Dorado, and Chaguaramas will expand the capacity for 250 residential trainees.

The Retiree Adolescent Partnership and the National Youth Policy 2026–2030 will guide future initiatives in training, entrepreneurship, and leadership.

A new Construction-Sector Skills Programme will certify 250 young people for employment and small-business creation in this vital industry.

Making Housing More Affordable

Mr Speaker, housing is both a social necessity and an economic driver.

We have reformed the Home Improvement Grant Programme—digitising applications and doubling the number of grants delivered to 1,200 in FY 2026.

Since taking office, 208 Home Improvement and 82 Home Construction Grants, totalling \$8.2 million, have been issued.

One thousand four hundred sixty-one units are under construction in Arima, D'Abadie, and Couva, while 35 HVIP projects are completed and 44 are underway. Quarterly HDC performance reports will now be published.

Our ambitious target is 20,000 affordable homes through PPPs and innovative designs.

We will launch First-Time Homeowner Grants, low-interest loans for young families, and revive the Land-for-the-Landless Programme.

The Foundation-for-Life Programme will help single mothers and seniors with rent-to-own options, while inclusive housing at Edinburgh 500 will serve persons with disabilities.

Healthcare Reform

Mr Speaker, good health is the foundation of prosperity. Amendments to the Children's Life Fund Act now cover life-limiting conditions such as sickle-cell disease and rare cancers, ensuring children receive timely care.

Extended-hours health centres now operate in 12 communities, reducing hospital congestion.

The CDAP Programme was modernised with new life-saving medicines for hypertension, mental health, and autism, benefiting 300,000 citizens.

Digitisation is advancing through a National Health Management Information System with a secure Health ID, enabling seamless access to records.

We will also legislate a Medical Malpractice Court, No-Fault Compensation Fund, and a revised Patients' Charter.

Education and Skills Training

Mr Speaker, education must prepare every child for a digital, inclusive future.

Special-needs students now receive dedicated exam concessions; 13 partner schools have been strengthened with \$11 million in support.

With UNICEF, we launched universal screening for children aged 4–6 to detect learning challenges early.

Eighteen thousand devices are being distributed to Form One students for \$146 million, accompanied by AI training for 10,800 teachers.

The Vacation Repair Programme upgraded 279 schools, recognised as one of the most successful in recent years.

To tackle violence, 95 Special Reserve Police officers are now stationed in 50 high-risk schools.

Vision and physical screening programmes will continue nationwide.

A new Literacy and Numeracy Series in 2026 will address learning gaps, while \$10 million will modernise networks in 456 primary schools.

The GATE and Higher Education Loan Programmes remain central to access, with 345 bursaries (\$52 million) awarded this year.

The UWI Debe Campus will be operationalised for Law, Forensics, IT, and AI training—reviving South Trinidad’s academic potential.

Supporting Sport and Community Development

Mr Speaker, sport drives unity and national pride. Rehabilitation of pools in Maloney, Morvant, Tunapuna, Biche, and Rio Claro continues alongside upgrades at national stadia.

New community grounds and the Elite Athlete Gym at Tacarigua will enhance performance and health.

Scholarships through UTT and partnerships with GC Foster (Jamaica) and India are developing coaching and sport administration, including women’s cricket.

The Samuel Badree Cricket Academy facility at UTT San Fernando will serve as a national training base.

Programmes like JAVA Cricket (2,000 youths), With These Hands, and Boss Lady equip communities with practical and entrepreneurial skills.

Ten new community centres with full accessibility features will open in FY 2026.

Building a Safe and Secure Country: Justice, Protection and Peace of Mind

Mr Speaker, citizens deserve safety and peace.

After a decade of record crime and neglect, we are taking decisive action through a National Safety Strategy based on intelligence, technology, and community engagement.

Reforming Justice

The Ministry of Justice has been re-established to coordinate the justice chain.

The Home Invasion, Self-Defence and Defence of Property Bill 2025 will criminalise home invasion and affirm citizens’ right to defend themselves.

A Judiciary Chancellor will manage case flow, freeing the Chief Justice to focus on jurisprudence.

We will expand courtrooms in Chaguanas, Rio Claro, Sangre Grande, and Diego Martin and enshrine a constitutional right to a timely trial.

Victim support will include restitution, job placement, and housing.

The DPP and Public Defender Offices will be strengthened.

Empowering Policing

We have restored leadership to the TTPS with a new Commissioner of Police and absorbed 800 Special Reserve Officers to address staff shortages.

Sixty-seven new vehicles (\$23 million) and additional transit units have expanded patrol reach.

The National Operations Centre is being reintegrated under the TTPS; Municipal Police and mobile units are expanding. Updated E999 systems and intelligence-led operations will improve responsiveness.

Building a better Prison System

Five hundred new officers are being recruited. Facilities are receiving sanitation, transport, and security upgrades, including anti-drone tech and cell-jammers.

The 268-year-old Port of Spain Prison is being decommissioned, replaced by a modern correctional facility focused on rehabilitation.

Fire Service

The Fire Service is being reinforced with 280 auxiliary officers, 225 new breathing apparatus, and station upgrades in Savonetta, Santa Cruz, and Sangre Grande.

New vehicles and thermal-imaging equipment will boost readiness.

We will reform firearms laws for responsible ownership, promote rehabilitation over incarceration for non-violent offenders, expand CCTV coverage, strengthen port security, and establish a forensic science complex and national security training centre at UWI Debe Campus.

Government Efficiency through Digital Technology: Smarter Systems, Better Service

Mr Speaker, we are transforming government through digitalisation and AI. Long lines and paper delays will soon be history.

Digitisation of Government Services and Artificial Intelligence

Our national digital assistant, Anansi, now delivers instant guidance on public services 24/7.

Every citizen will soon receive a secure digital ID for single-login access to government portals—allowing taxes, licenses, and business registrations to be completed online in minutes.

Electronic health records will unify patient data across facilities; education platforms will introduce smart classrooms, e-textbooks, and AI tutors; and police will have real-time access to records through innovative policing systems.

A National AI Research and Innovation Hub will train youth in data science, software engineering, and content creation, enabling citizens to earn from the digital and creative economies.

National Digital Payment System

Mr Speaker, perhaps the single most transformative initiative of this Administration is the National Payment and Innovation Company of Trinidad and Tobago (NPIC-TT).

For decades, citizens have had to walk from ministry to ministry, stand in lines, and pay in cash to conduct routine government business.

Billions in transactions were fragmented across hundreds of accounts, prone to delay, error, and leakage.

That inefficient era is coming to an end.

The National Payment and Innovation Company introduces a unified platform that will handle all Government collections and disbursements — from licensing fees and taxes to social grants and pension payments.

Every ministry, every agency, and every statutory body will connect to this single payment backbone.

Mr Speaker, this is not just a technology upgrade — it is a revolution in public financial management.

With this system, every cent collected or paid by the State can be tracked in real time.

This means faster reconciliation, stronger oversight, and the near elimination of fraud, pilferage, and bureaucratic delay.

Citizens will have multiple ways to pay — online, on their phones, at self-service kiosks, or at over-the-counter terminals — using debit cards, credit cards, vouchers, or digital wallets.

Every transaction will be instant, secure, and recorded. It will no longer matter whether a citizen lives in Moruga, Toco, or Tobago; every service will be available at their fingertips.

This is a historic shift toward convenience, equity, and accountability.

The NPIC-TT will not only save millions in administrative costs but will also expand government revenue through better compliance and audit trails.

It will make life easier for the public, strengthen confidence in government, and build a transparent bridge between citizens and the State.

It is also an enabler of our broader national agenda — linking ministries, banks, and service providers; integrating e-government services; and creating a foundation for innovation.

With the NPIC-TT, the State itself becomes digital — efficient, responsive, and people-centred.

Supporting Tobago's Development Agenda

I now turn to Tobago.

In pursuit of the Tobago House of Assembly's (THA) vision to make **"Tobago the greatest little island on the planet."**

The THA developed and implemented the Strategic Development Planning Pathway (2025-2045).

This new development architecture will guide Tobago's socio-economic and political transformation, informing the island's development programmes and projects.

The institutional strategy, known as strategic selectivity, will direct social and economic development programming and capital investments, ensuring that efforts are both targeted and effective.

The Fiscal 2026 Budget Statement presented by the THA identifies the goal of placing Tobago on a fast track to socioeconomic prosperity while securing the island's financial stability.

The targeted economic growth programme for Fiscal 2026 is specifically designed to foster sustainable job creation, boost GDP, enhance public infrastructure, improve public service delivery, and increase living standards.

To achieve these goals, the THA has proposed targeted capital investments in the following critical areas:

Tourism and the Creative Sector – Tobago's tourism remains a vital cornerstone of the economy.

There is immense potential in the pristine natural environment, rich cultural heritage, and vibrant festivals. THA intends to invest in product development, destination branding, and promoting high-end accommodations.

It also aims to support a sustainable community-based approach, promoting the unique cultural heritage through digital content, heritage tours, and training programmes.

These strategic investments will not only create direct jobs but will also stimulate growth across related sectors such as transportation and agriculture, ultimately revitalising the entire economy.

Agriculture – Tobago is committed to building productive, safe, and sustainable food systems.

The THA's strategy includes a Mega-farming Programme to encourage innovation and attract agri-entrepreneurs, strengthening the food security and positioning agriculture as a viable career path.

To further support farmers, the THA is investing in local seed banks to preserve indigenous crops, developing efficient irrigation systems, and providing extensive training on modern agricultural techniques.

Infrastructure - The THA is committing to significantly upgrading public infrastructure.

This includes enhancing road networks, public utilities, public housing, and coastal protection systems.

Upgrades will also include enhancing airlift connectivity with both Trinidad and international markets to accelerate socioeconomic growth, create employment opportunities, and enhance the island's overall prosperity.

Digital Technologies – The THA plans to integrate digital technology into its business operations, governance, and daily life.

This investment will not only enhance productivity through automation and AI but also break down geographic barriers, unlock new avenues for innovation, and improve resource allocation.

Human Capital Development, Education and Training – to accelerate Tobago's growth, a two-pronged strategy that includes both immediate and long-term investments to create a skilled and adaptable workforce, ensuring that Tobago's population is well-equipped to meet the challenges and opportunities of a dynamic future. Tobago's **Education Reform Programme** will encompass all levels from pre-school to tertiary, placing a strong emphasis on support for students with special needs.

Micro, Small and Medium Enterprises Sector (MSMEs) – Mr Speaker, over 90 per cent of the island's businesses fall into this category.

MSMEs are crucial for creating jobs and reducing the reliance on the government sector for employment. Initiatives such as:

The Tobago Development Fund and the newly launched Loan Guarantee Programme will help businesses grow,

create jobs for marginalised groups, and ultimately build a more equitable and resilient economy for all Tobagonians.

Healthcare – Tobago continues to acquire new diagnostic technology, modernise hospitals in **Scarborough** and **Roxborough**, and ultimately increase the life expectancy of citizens.

The THA intends to expand the Scarborough and Roxborough hospitals to accommodate better and meet the growing needs of the population.

Community Development – Tobago is ensuring that the communities are safe and have appropriate green and functioning social infrastructure to meet the needs of the citizens.

The adaptation to climate change will include coastal protection and restoration, sustainable water management, and the building of climate-resilient public infrastructure.

Youth Development and Sports – Tobago is focusing on skill development, vocational training, building an amateur-to-professional sports pipeline, and youth internship programmes. The **Sport Development Work Programme** aims to monetise sport and outdoor recreation and catalyse investment in sport infrastructure.

The THA intends to leverage sport to diversify tourism, led by a new sport tourism unit and supported by key events such as the International Youth Cricket Tournament and the International Diving Meet.

Public Utilities and Rural Development – the THA has developed a suite of initiatives, including subsidised housing, land affordability schemes, rental assistance, and home improvement grants, to ensure all Tobagonians have access to safe and affordable housing solutions.

Mr Speaker, the minimum share of the National Budget that should be allocated to Tobago, as prescribed by the Dispute Resolution Commission, is 4.03 per cent.

I recognised that this will be insufficient to achieve the objectives I have just described.

I have taken note of the Budget proposed by the THA and their developmental agenda.

I am happy to announce that in this fiscal year, I am allocating \$2.96 billion to the THA, which represents a full 5 per cent of the National Budget.

However, that is not all. In addition, a further **\$763 million** will be spent by various Ministries on Tobago.

In total, then, the allocation to Tobago for the Fiscal Year 2026 will be \$3.724 billion, which equates to **6.3 per cent** of the National Budget.

Estimates of Revenue and Expenditure

2025 Fiscal Performance

Almost immediately upon assuming office in April, it became evident that we had inherited a severely distressed fiscal situation – marked by collapsing revenues, unsustainable expenditure, rising debt and mounting arrears.

Among these obligations was a substantial bill for salary adjustments and arrears for officers under the SRC.

Faced with this reality, we had no choice but to seek to settle outstanding obligations left unattended by the previous Administration.

Thus, we were forced to appropriate an additional **\$3.1 billion** in the Mid-Year Review of the Fiscal 2025 Budget.

The preliminary outturn for Fiscal 2025 is for a deficit of **\$8.7 billion** with revenue of **\$50.6 billion** and expenditure of **\$59.3 billion**.

This shortfall could have been far greater had we not acted swiftly and decisively to continue spending and strengthen revenue streams.

In the future, we will pursue a path of fiscal consolidation and structural reform to break us free from the cycle of low growth, anaemic revenues, and high expenditure that has constrained our economy for far too long.

Fiscal 2025/2026 Estimates of Revenue and Expenditure

In light of the crisis that we met on assumption of office, we immediately set out to put policies and programmes in place to mitigate the economic situation.

This is clearly demonstrated in our first 150 days in office. Our country has faced the recurring challenge of navigating fluctuations in global energy markets. Variability in oil and gas prices has consistently created uncertainty around Government revenues, requiring careful and responsive policymaking.

We recognise the risks of over-reliance on the energy sector, and we are taking steps toward broader economic reform.

We maintain close oversight of international energy trends to help guide our fiscal strategy.

Consequently, our oil price assumption for 2026 will be **US\$73.25** per barrel, compared with **US\$77.80** per barrel in 2025; and our natural gas price assumption will be **US\$4.25** per MMBtu, compared with **US\$3.59** per MMBtu in 2025.

As a result of these commodity price estimates, we expect:

Total Revenue	\$ 55.367 billion
Total Expenditure	\$ 59.232 billion
Fiscal Deficit	\$ 3.865 billion

The total estimated revenue of **\$55.367 billion** comprises:

Oil revenue	\$ 11.254 billion
Non-oil revenue	\$ 43.402 billion
Capital revenue	\$ 0.711 billion

Mr Speaker, you should note that the fiscal deficit at \$3.865 billion is **2.17 per cent** of GDP, again within the international benchmark of **3 per cent**.

Pursuant to our Public Policy Agenda, the central Fiscal 2026 allocations are as follows:

Education and Training	\$ 8.766 billion
Health	\$ 8.214 billion
National Security	\$ 6.366 billion
Public Utilities	\$ 3.395 billion
Infrastructure	\$ 1.943 billion
Rural Development and Local Government	\$ 1.807 billion
Transport	\$ 1.840 billion
Agriculture	\$ 1.130 billion
Housing	\$ 0.662 billion

Fiscal and Other Measures

Fiscal stability is the foundation of sustainable growth. Key measures include:

1. Levy on the Assets of Commercial Banks and Insurance Companies Operating in Trinidad and Tobago

Commercial banks and insurance companies, due to their large size, profitability and capitalisation, have reported sustained earnings, high liquidity ratios and strong asset base growth. Conservative lending practices and favourable monetary conditions have driven these outcomes.

Despite this, the average citizen continues to be subjected to unreasonably high fees and near-zero returns on their savings and investments.

Against this backdrop, I proposed to introduce an Asset Levy of **0.25 per cent**, which is to be charged against the assets of commercial banks and insurance companies operating in Trinidad and Tobago.

Importantly, the Asset Levy will **not** be applied to financial institutions and insurance companies operating under the provisions of the Special Economic Zones Act.

This measure will become effective January 1 2026, and is expected to contribute \$575 million annually to revenues.

2. Landlord Business Surcharge

In recent times, there has been an explosion of unregistered commercial and residential rental properties.

Many of these landlords have been avoiding paying their fair share of taxes.

This contributes to significant revenue loss and a lack of reliable data to support policy development.

The introduction of this Landlord Business Surcharge, based on actual rental income, will broaden the tax revenue base, promoting fairness, transparency and accountability.

This measure requires all landlords to register with the Board of Inland Revenue and pay a one-time registration fee of **\$2,500.00**.

The surcharge will be applied as follows:

- (i) **2.5 per cent** of the gross annual rental income of **\$20,000.00 or less**; and
- (ii) **3.5 per cent** of the gross annual rental income **exceeding \$20,000.00**.

This measure takes effect on January 1 2026, and is expected to yield a minimum of \$70 million from the one-time registration fee.

3. Electricity Surcharge

The Government proposes the introduction of an Electricity Surcharge as a targeted fiscal measure to address the growing cost of electricity subsidies and promote efficiency in energy use.

The surcharge will take the form of a fixed, bill-level charge of **\$0.05 per kWh** for Commercial Customers and Industrial Customers.

The policy is designed to encourage energy conservation, reduce the Government's subsidy burden and generate a predictable revenue stream.

It must be noted that our electricity rates will remain substantially below those of our trading partners. Essential public services such as schools, hospitals and street lighting in addition to residential will be exempted.

At current consumption levels, this initiative is estimated to contribute an additional **\$269 million** to revenues.

This measure takes effect on January 1 2026.

4. Increase in Fees, Charges and Excise Duties

Mr Speaker, the cost of administering and offering public services in Trinidad and Tobago has risen significantly across Ministries, Departments and Agencies. Notwithstanding, many administrative charges, including licence and permit fees and processing charges, have remained unchanged, in some instances, for as long as 30 years.

This places additional pressure on the Consolidated Fund.

Updating the fee structures in line with the current cost of doing business is therefore necessary to ensure cost-reflectivity, fairness and sustainability, while also safeguarding service quality and enabling modernisation.

It is important to note that **80 per cent** of the projected revenue increases are attributable to Customs Duties on Rum and Spirits, Beer and Tobacco products. Therefore, the following amended duties are proposed:

	Existing	Proposed
Rum and Spirits	\$79.25	\$158.50
By per cent of Alcohol		
Beer (by gravity of beer)	\$5.14	\$10.28
Cigarettes (per pack of 20)	\$5.26	\$10.52

Included in the list of fees to be amended are:

	Existing	Proposed
Container Processing Fees	\$525	\$1,050
Customs Declaration Transaction User Fee	\$ 40	\$ 80
Environmental Tyre Tax	\$ 20	\$ 40
Wild Animals and Birds	\$100	\$ 200

These measures will contribute an additional **\$1 billion** to revenues.

Mr Speaker, the increase in Customs Duties on Rum and Spirits, Beer and Cigarettes will take **immediate** effect.

The increase in other Fees, Charges, and Licences will take effect from **January 1, 2026**.

5. Customs Duties on Luxury Electric Cars

Mr Speaker, the concession for electric vehicles has been abused. Data reveals that significant foreign exchange has been used to import high-end electric vehicles, which attract no Customs Duty, Motor Vehicle Tax and no Value-Added Tax.

We recognise the importance of electric vehicles in reducing carbon emissions and propose adjusting the applicable taxation regime to preserve relief levels for mid to lower-priced vehicles.

Accordingly, I propose the following on vehicles whose CIF value exceeds **\$400,000**:

- a rate of duty of **10 per cent**;
- VAT of **12.5 per cent**; and
- A tiered rate of Motor Vehicle Tax applicable to the Electric Motor Size will be applied on vehicles whose CIF value exceeds **\$400,000**.

At current demand, this initiative will contribute an additional **\$40 million** to revenues.

This measure takes effect on **January 1, 2026**.

6. Taxation on Single-Use Plastics

Mr Speaker, this Government is committed to protecting the environment. Single-use plastics contribute heavily to clogged waterways, land and marine pollution, and overburdened waste management systems; ultimately harming public health, biodiversity and the economy.

I propose to introduce a **5 per cent** tax on the CIF value of these products at the point of importation.

The proceeds will be earmarked to support national recycling programmes, waste management initiatives and public environmental education.

This measure will take effect from **January 1, 2026**.

7. Establishment of a Real Estate Investment Trust in Trinidad and Tobago

Mr Speaker, in Fiscal 2026, we will establish a State-Sponsored Real Estate Investment Trust (REIT), a landmark initiative to democratise state-owned assets, strengthen and diversify our capital market and broaden public participation in national wealth creation.

This is another bold step to unlock new avenues of non-debt financing.

Through this vehicle, high-value income-generating properties such as land, office buildings and commercial infrastructure will be transferred into a professionally managed REIT.

Shares will be listed on the Trinidad and Tobago Stock Exchange, allowing both ordinary and institutional investors to earn regular dividends from real estate.

At the same time, the State retains a strategic stake in these assets.

A **High-Level Technical Committee** will be appointed to guide this process for greater transparency and accountability.

Mr Speaker, this position puts Trinidad and Tobago as a regional pioneer in innovative financing and empowers our citizens to share directly in the prosperity of the nation.

Given the healthy domestic investor appetite, this measure is expected to contribute significantly to the Government's revenue stream.

8. NIF Bond

Mr Speaker, in Fiscal 2026, the National Investment Fund Holding Company Limited (NIF) will launch a **\$1 billion** NIF Bond.

Mr Speaker, this is yet another opportunity provided by this Government to afford ordinary citizens, small businesses and institutions the opportunity to invest and build personal wealth, in a safe, tax-free environment without increasing public debt.

This Bond will be backed by **21 per cent** of the shareholding of First Citizens Group Financial Holdings Limited (FCGFH) valued at approximately **\$2.0 billion**, while the Government retains Indirect and Beneficial Ownership of the majority of FCGFH at **60.11 per cent**.

This Bond will be issued in the **second quarter of Fiscal 2026**.

9. Penalties on Offences

To ensure stricter adherence to the law, we propose more rigorous consequences for non-compliance.

Consequently, the following is proposed:

	Existing	Proposed
Environmental Tyre Tax	\$3,000.00	\$5,000.00
Application for Registration of a Pesticide	\$2,000.00	\$4,000.00
Brewers	\$4,000.00	\$10,000.00
Driving while disqualified from holding or obtaining a driving permit	No Fee	\$5,000.00
Careless Driving	No Fee	\$15,000.00
Driving or being in charge of a vehicle while blood alcohol levels exceed prescribed limit	No Fee	\$15,000.00

These increases in Penalties will contribute an additional **\$180 million** to revenues.

These amendments will take effect from **January 1, 2026**.

10. Removal of Motor-Vehicle Tax Concessions for Returning Nationals

In January, 2023, the Financial Intelligence Unit issued to the Ministry of Finance its Strategic Analysis Report on the Abuse of the Duty Relief Concession Granted for Personal Vehicles Imported by Returning Nationals in accordance with **section 17(1)(b) of the Financial Intelligence Unit of Trinidad and Tobago Act, Chap. 72:01 and Regulation 26(1)(d)(ii) of the Financial Intelligence Unit of Trinidad and Tobago Regulations**.

The Report also cited statistics showing **fraud** and abuse of Duty Relief detected by persons claiming Returning National Exemptions October 2016 – September 2018.

Despite knowing this, the then Minister of Finance sat on his hands, allowing this abuse and loss of revenue to continue. This Minister of Finance is committed to protecting the public purse and preventing tax avoidance, **fraud**, and the abuse of concessions.

To this end, I propose that Customs duty relief and related tax concessions (Valued Added Tax and Motor Vehicle Tax) on motor vehicles imported by returning nationals be removed.

This measure will take effect on **January 1, 2026**.

11. Subsidy on Liquefied Petroleum Gas-LPG

The subsidy for LPG has been in place since 1976.

The most recent adjustment to the retail price was made in 1998, over 25 years ago.

While we must adjust the subsidies to reflect market forces as a caring Government, we must protect those least able to afford a significant price increase.

I propose to amend the subsidy on LPG cylinders of **100 pounds** and above by **\$0.50 per pound**.

I wish to reiterate that the price of cylinders below **100 pounds**, including the standard **20-pound cylinders**, will continue to be subsidised at the same rate and will not change.

These amendments will take effect on **January 1 2026**.

When UNC wins, households win!

12. Safeguarding our National Insurance System

The National Insurance System (NIS) safeguards the dignity of retirees and provides income security for workers and their families. Today, annual benefit expenditure is well over **\$6 billion**—an increase of more than **65 per cent** over the last 2 decades.

After a decade of neglect, this system is in crisis today. To do nothing would be irresponsible.

Since 2020, benefit pay-outs have consistently exceeded contributions, forcing the NIB to liquidate its assets to meet obligations. The 11th Actuarial Review projects that, if nothing is done, the Fund will be depleted by 2033 to 2034.

We will not allow the Fund to collapse, jeopardising the very benefits that over 200,000 of our most vulnerable citizens depend on.

For nearly a decade, the PNM sat idly by while the warning bells sounded, kicking the proverbial can down the road.

Let me be clear: this Government will act decisively where the PNM refused to act.

13. Amendment to NIB rates

To save this critical institution from bankruptcy and preserve the benefits for future generations, we must increase the contribution rate.

To minimise the burden on contributors, I propose a phased approach: implementing a **3 per cent** increase in the contribution rate effective January 5, 2026, followed by another **3 per cent** increase from January 4, 2027.

Gradual adjustment to the retirement age for a full NIS pension

Additionally, Mr Speaker, beginning in January 2028, the age at which a person can receive a full NIS retirement pension will gradually increase over a 10-year period.

There will be no change for anyone who retires at age 60 before January 1, 2028.

These retirees will continue to qualify for a full NIS pension (with a minimum of \$3,000) at age 60.

Furthermore, **existing pensioners will not be affected by this change.**

Starting in January 2028, the age for a full NIS pension will increase by one year every two years until it reaches age 65 in 2036. This means that to access the full minimum pension of \$3,000:

- From January 1, 2028, to December 31, 2029, a retiree must be 61 years of age;
- From January 1, 2030, to December 31, 2031, a retiree must be 62 years of age;
- From January 1, 2032, to December 31, 2033, a retiree must be 63 years of age;
- From January 1, 2034, to December 31, 2035, a retiree must be 64 years of age; and
- From January 1, 2036 onward, a retiree must be 65 years of age.

For clarification, these adjustments mean that the retirement age for a **full** NIS pension will move from 60 to 65 over the next decade.

Persons who retire early will still receive a pension, but at a reduced rate.

Mr Speaker, these reforms are not easy, but they are now urgently required given the years of inaction that allowed these challenges to deepen under the last administration.

These measures are projected to extend the life of the NIS Fund, securing pensions for today's workers and tomorrow's retirees.

Let it be said, Mr Speaker, that under this Government, the NIS will not be allowed to fail.

When UNC wins, workers and pensioners win!

14. Research and Development Impact Fund UWI

Mr Speaker, innovation is a key driver of transformation, competitiveness and resilience.

The Research and Development Impact (RDI) Fund at The University of the West Indies (UWI) is a critical mechanism for advancing applied research, fostering partnerships and generating solutions to national challenges.

The Fund has supported more than **47** projects, cultivated over **270** partnerships, attracted **\$124 million** in external resources and delivered new products and services that are already in use across the region.

In keeping with the Government's diversification agenda, an allocation of **\$10 million will be provided to the UWI RDI Fund in Fiscal 2026.**

This will encourage more of our researchers and innovators to focus on areas critical to national development, such as climate resilience, citizen security, sustainable agriculture and health innovation.

15. National Innovation and Incubator Programme

The National Innovation and Incubator Programme will strengthen the innovation ecosystem and entrepreneurship in Trinidad and Tobago.

This Programme will provide **100** young graduates and aspiring entrepreneurs with the mentorship, financing and structured support required to transform ideas into viable businesses, and expand the base of small and micro-enterprises towards economic diversification.

In fiscal 2026, the Government, through an allocation of **\$15.75 million**, will partner with the Unit Trust Corporation and UWI Ventures Limited.

This underscores the Government's determination to create an enabling environment where new entrepreneurs can emerge and participate in a modern, diversified economy.

This Programme will commence in **January 2026**.

16. Period Poverty Intervention

Period Poverty continues to undermine the health and educational opportunities of many women and girls in Trinidad and Tobago.

Women and girls impacted by Period Poverty struggle to afford menstrual hygiene products.

To this end, I propose the following strategic interventions to address this socio-economic issue:

- The Ministry of Finance and the Ministry of the People, Social Development and Family Services will collaborate to establish a Women's Health Fund.

The Government will provide an initial seed capital of **\$5 million**. We will also partner with other stakeholders to ensure the sustainability of this initiative. This fund will be used to:

- Launch a pilot programme to provide distribution of free menstrual kits in educational institutions; and
- Provide education and sensitisation on menstrual health for various groups—including men and boys—to foster inclusivity and dismantle stigma.

A tax incentive will be provided to encourage individuals and corporations to contribute to this Fund.

This initiative will commence in **January 2026**.

When UNC wins, women and girls win!

17. eLEVATE TT

Mr Speaker, this Government will introduce the eLEVATE Programme to upskill 15,000 educators, helping them incorporate and modernise their teaching methodologies using 21st-century technology.

The Government will allocate **\$5.72 million** to this programme, which will deliver relevant, flexible and modern professional development aligned to national priorities and the 2025–2030 Education Policy.

This Programme will commence in **January 2026**.

When UNC wins, teachers win!

18. NEXTCLASS

Mr Speaker, the NEXTCLASS programme aims to create an AI-powered user interface platform that empowers teachers with the resources to enhance their teaching effectiveness and foster a more personalised learning environment.

Every teacher will gain access to a single platform hosted by the Ministry of Education, featuring lesson planning, real-time student tracking, automated grading support and professional development tools. The Government will invest **\$4.64 million** in this programme.

This Programme will commence in **January 2026**.

When UNC wins, students win!

19. The PEARL Project: Promoting Early Assessment for Resilient Learners, "Assess Early, Educate Fully"

Mr Speaker, the Promoting Early Assessment for Resilient Learners initiative will touch the lives of thousands of children and their families by ensuring that challenges in vision, hearing, growth, **and development are detected and addressed before they become barriers to learning.**

The programme will embed universal screening in our schools, ensuring that difficulties are identified and addressed early before they limit a child's potential.

Through the alignment of the Ministry of Education, the Ministry of Health, and the Ministry of the People, Social Development and Family Services, PEARL will guarantee parents and students a seamless medium of care and attention.

The government will allocate **\$7.89 million** to this programme, which will commence in **January 2026**.

When UNC wins, children with learning disabilities win!

20. Tax Concession for Corporate and Individual Contributions to Registered Animal Shelters

Mr Speaker, this Government recognises the critical role that registered animal shelters play in controlling stray

populations, promoting spaying and neutering, and advancing public health and environmental sanitation.

To support their work, I propose to amend the Corporation Tax Act, Chap. 75:02 to allow companies that make financial contributions to registered animal shelters approved by the Minister of Agriculture, Land and Fisheries to claim such contributions as a deduction in computing their chargeable profits.

The deduction will be capped at the lower of **15 per cent** of chargeable profits or **\$100,000** per year of income.

Mr Speaker, I propose to amend the Income Tax Act, Chap. 75:01 to provide a stand-alone deduction for individuals who support registered animal shelters.

To qualify, the shelter must be registered under the Non-Profit Organisations Act, 2019 or the Companies Act, Chap. 81:01, and approved by the Minister of Agriculture and Fisheries.

The deduction will be capped at the lower of **20 per cent** of the individual's total income or **\$20,000** per year.

These amendments will take effect on **January 1, 2026**.

When UNC wins, animal lovers win!

21. Agricultural Incentives

Mr Speaker, despite their promise to make the agriculture sector tax-free, the PNM failed to fulfil this commitment.

This has characterised the PNM's neglect of our farmers, which has compromised our food security.

Our focus is to make food more affordable to every citizen by supporting increased and sustainable agricultural production:

To this end, I propose:

- to remove VAT from all machinery and equipment intended explicitly for agricultural use;
- to remove VAT from all components used explicitly in hydroponic farming and greenhouse farming, if not already specified elsewhere;
- the review of Paragraph 5 of Schedule 2 of the VAT Act to provide a comprehensive classification for zero-rated preparations and chemicals to ensure farmers have access to a full range of cost-effective inputs for cultivation and animal health; and

- the removal of Customs Duty from feed used for poultry, cattle and pig.

These amendments will take effect from **January 1, 2026**.

When UNC wins, farmers win!

22. VAT on Food Items

In the last Persad-Bissessar-led UNC Administration, we removed VAT from **7,000** food items.

As soon as the PNM assumed Office, they reintroduced VAT on these basic food items. This had an immediate effect of directly raising the prices of food for every citizen.

Public pressure eventually forced them to remove the VAT on some items.

Today, I am proud to say this administration will again be removing Value Added Tax from a multiplicity of basic food items.

These items will include table salt, mauby, coconut water, as well as locally produced pumpkin, watermelon, cucumber, lettuce and tomatoes, amongst others.

This is a government that cares about the average citizen.

You see, **when UNC wins, everybody wins!**

This measure will take effect from **October 17, 2025**.

23. Amendments to The Policy on Importation of Foreign Used Vehicles

A previous UNC Administration had democratised access to vehicle ownership by introducing foreign used vehicles to the market, making vehicles available to every citizen.

We have since noted the increase in the cost of new and foreign used vehicles as a direct result of the restrictive policies of the PNM.

Today I am pleased to announce that in keeping with our 2025 General Election commitment to make vehicle ownership affordable again, I propose the following:

- (i) an increase in the permissible age of importation of private cars (SUVs, Sedans and Station Wagons) which are powered by gasoline, diesel or CNG from 3

years and under, to 6 years and under, from the date of manufacture; and

- (ii) an increase in the permissible age of importation of light commercial vehicles (pickups and panel vans) from 7 years and under, to 10 years and under, from the date of manufacture.

This measure will take effect from **January 1, 2026.**

When UNC wins, every citizen wins!

24. Removal of tax on Private Pensions

In keeping with the Government's promise during the 2025 election campaign, I propose that private pensions be exempted from Income Tax.

These amendments will take effect on **January 1, 2026.**

When UNC wins, Retirees win!

25. Reducing the Cost of Construction Materials

Over the last decade, the cost of construction materials has skyrocketed, making homeownership an unfulfilled dream to many, particularly our young people.

Conscious of this and to further stimulate the economy, particularly in the area of construction, I propose that the negative list under the Trade Ordinance be amended to remove item no. "(i) 4. Clays, crushed limestone, boulders, sand, gravel, plastering sand, porcellanitic, argillite, oil sand".

This will provide a much-needed impetus to the construction sector and is expected to reduce the cost of building materials and the cost of construction, generally.

This will also boost employment in plumbing, electricals, tiling, masonry, carpentry and fabrication industries amongst others.

These amendments will take effect on **January 1, 2026.**

When UNC wins, homeowners win!

When UNC wins, tradesmen win!

Conclusion

Budget 2026 is a declaration that Trinidad and Tobago is back on course.

In the words of Kahlil Gibran, ***"True progress is not in enhancing what is, but in advancing what should be."***

This Budget is more than just an accounting of revenues and expenditures, plans and policies. It represents a shift towards fairness.

For too long, the Government's fiscal policy has been seen as a technical exercise.

Today, we redefine it as a human one.

Every dollar we spend, every measure we take, must be guided by a single principle: putting the people of T&T first.

In this Fiscal Year, we are taking deliberate steps to realign national priorities, to put our great nation first, and to build economic fairness through accountable fiscal policies.

This is the beginning of a new era - one built on trust, fairness and people-centred governance; where growth is measured not only by GDP, but by the strength of our communities and the hope we inspire in every home across this nation.

This Budget is, at its core, a statement of the UNC's values.

It reflects our belief that economic policy must begin and end with people: real men and women struggling each day to build better lives for themselves and their families.

Our task, therefore, is not just to balance the nation's finances, but to restore balance to our society, to ensure that opportunity reaches every community from Cedros to Charlotteville, from Moruga to Carenage, where equal access to the national patrimony is available to every single citizen.

The days of promises without performance are over – this UNC Government delivers!

As we close the sorry chapter of the last decade and look forward to our future, we cannot paper over – as was done before – the harsh realities we face.

Yes, the road ahead is long, and growth will be tempered in the short term by the decline in the energy sector—a legacy left by a decade of neglect and irresponsible governance.

However, the nation will have noted that this Government - under the visionary leadership of Kamla Persad-Bissessar - refuses to be paralyzed by the legacies of the past and the post-mortems of those who rush to be the first to bleat.

We have chosen to listen to the people of Trinidad and Tobago.

We have chosen a fiscal approach that will not only restore stability, but will lay a foundation for lasting prosperity — ensuring that our nation's future is one of opportunity for every citizen, no matter their background.

To every citizen of Trinidad and Tobago: this is not just the Government's journey; it is yours as well.

Our shared future depends on unity, patience, and collective effort.

Let us move forward together — with courage, with hope and with the firm conviction that we will rebuild a stronger, fairer and more prosperous Trinidad and Tobago.

As this Budget demonstrates:

When UNC wins, homeowners win!

When UNC wins, tradesmen win!

When UNC wins, Retirees win!

When UNC wins, Children win!

When UNC wins, workers and pensioners win!

When UNC wins, farmers win!

When UNC wins, business wins!

When UNC wins, manufacturers win!

When UNC wins, Public Servants win!

When UNC wins, former Caroni Workers win!

When UNC wins, women and girls win!

When UNC wins, motorists win!

When UNC wins, children with learning disabilities win!

When UNC wins, animal lovers win!

When UNC wins, young people win!

When UNC wins, the vulnerable win!

WHEN UNC WINS, EVERYBODY WINS!

Mr. Speaker, I beg to move.

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