

**LABOUR, EMPLOYMENT AND
SOCIAL SECTOR ISSUES IN FACE
OF GLOBAL ECONOMIC
VOLATILITY**

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ESSENTIALS OF ECONOMIC TRANSFORMATION

- ① Economic Diversification – Building the new Economy ...mix of competitive exports to the global economy
- ① Sustainable Development ...capacity to reorient and for flexibility

CARIBBEAN CONTEXT

- ◎ **CSME and nature of insertion in Global Economy**
 - ◎ **Labour Flows and recent performance of neighbouring economies**
 - ◎ **Population (and labour force) of Trinidad and Tobago increasing, largely because of net immigration rather than the natural increase**

POVERTY STATISTICS

Country	SLC Year	Head Count Index (%)
Anguilla	2002	23.0
Antigua and Barbuda	2005/06	18.3
Dominica	2003	39.0
Grenada	1999	32.1
St. Kitts and Nevis	2007/08	21.8
St. Lucia	2005	28.8
St. Vincent and the Grenadines	2007/08	30.2
Guyana	1999	36.9
Trinidad and Tobago	2005	16.7

The poverty rate cannot strictly be compared across time and across space. There are challenges in deriving purchasing power parities in comparator countries or years.

However, countries often use the headcount index to compare roughly how they are doing relative to their neighbours.

UNEMPLOYMENT STATISTICS

Country	Year	Unemployment Rate (%)
Anguilla	2002	7.8%
Antigua and Barbuda	2006	4%
Dominica	2005	25%
Grenada	2005	18.5%
St. Kitts and Nevis	2008	5.1%
St. Lucia	2005	17%
St. Vincent and the Grenadines	2008	18.8%
Guyana	2007	7.8%
Trinidad and Tobago	2009	5%

DOMESTIC LABOUR MARKET

- ① Labour Force and Demographics changing because of relative performance of Regional economies and Trinidad and Tobago
- ① Newer Segmentation in labour market
- ① How well are changes being picked up in the data?
 - CSME Labour at the Pump, Construction, and Security – areas of open labour market operations – Lower level CSMEs
 - Higher level CSMEs
 - Extra-regional labour in construction
 - CEPEP and URP
 - Underground Economy

DOMESTIC LABOUR MARKET CONT'D...

- ① More Diversity in the Labour Market
- ① Labour Market responding to divergent sources of supply
- ① Oil Rich Economies tend to have labour market segmentation where locals do not work at certain types of jobs – Abu Dhabi, Bahrein... are we becoming such an economy?

All of these have Social Sector implications

MANUFACTURING SECTOR

- ⊙ At the same time firms in the manufacturing sector are making internal adjustments to try to not to send workers home in recent downturn
 - ⊙ Transactions cost of hiring new workers when the economy recovers
 - ⊙ Some have skills (many have been trained in-house) that are difficult to find or take long periods to learn.

SOCIAL SECTOR ISSUES

🎯 HOUSING

🎯 HEALTH

🎯 POVERTY

🎯 EDUCATION

CONNECTING THE DOTS

- ① All these things are linked to a 21st Century version of an oil economy in BOOM

THE POST-ENERGY DRIVEN ECONOMY

WHAT DOES THIS MEAN ?

- ⊙ In the face of Volatility there is a need to Build a Different Kind of Economy – one based on HEADS rather than on the energy sector
- ⊙ We have made a few steps in the right direction
 - ⊙ UTT
 - ⊙ Range of Training Programmes and Re-training Programmes
- ⊙ BUT are we “certifying” or “educating”?
- ⊙ Institutional Paradigm for Competitiveness.... Does it exist?

LABOUR AND EDUCATION STATISTICS

- ① Compare Education Statistics: Singapore and Trinidad and Tobago, as backdrop to relative productivity and competitiveness

Education Outcomes

Percentage passing with at least 3 A'level Passes with GP

Year	Singapore	Trinidad and Tobago
2003	87.2	
2004	88.6	
2005	87.2	
2006	87	
2007	87.1	

Percentage passing with at least 5 O'level Passes

	Singapore	Trinidad and Tobago
2003	81.6	
2004	82.7	
2005	81.1	
2006	82	
2007	80.8	

<i>Year</i>	<i>Percent passing Math</i>		<i>Percent passing English</i>	
	<i>Singapore</i>	<i>T&T</i>	<i>Singapore</i>	<i>T&T</i>
1995	86.5	49.34	98.7	74.84
1996	86.8	54.90	98.6	83.90
1997	85.5	48.00	95.9	77.22
1998	84.6	36.96	98.1	56.41
1999	85.7	36.02	98.4	61.27
2000	86.5	45.96	98.9	60.45
2001	82.8	44.00	97.7	67.69
2002		51.11		64.36
2003		50.29		55.30

Singapore: Economically active population - Economically active population, by level of education and age group (Thousands)

Age Group	Total	No Schooling	Lower secondary or second stage of basic education	Upper Secondary Education	Post secondary non-tertiary education	Second stage of tertiary education
20-24	8%	1%	3%	6%	18%	4%
25-29	11%	1%	4%	7%	15%	19%
30-34	13%	2%	6%	9%	14%	23%
35-39	14%	6%	8%	13%	14%	21%
40-44	14%	11%	15%	15%	12%	15%
45-49	14%	18%	19%	17%	10%	9%

PERFORMANCE OF THE NON-OIL SECTOR

Fiscal Operations					
As a percentage of GDP					
	2004- 05	2005- 06	2006- 07	2007- 08	2008- 09
Revenue	30.8	33.3	30	37.4	30.4
Energy	16.2	20.6	16.7	21.6	12.3
Non- energy	14.6	12.7	13.3	15.8	18.2
Non- energy Fiscal Deficit	-8.8	-14	-14.9	-15	-16

- ⊙ It's about the Sociology of Development
 - ⊙ What this means for labour and unemployment in the long run
 - ⊙ Physical Infrastructure
 - ⊙ Social Infrastructure – Education, Health and Housing
 - ⊙ Social Services
 - ⊙ Management of diversity

CONCLUSION

- ① The Government of Singapore, in responding to the Asian crisis of 1997, stated as follows,

"We have no possibility of changing the international economic system or the prevailing conditions, but we can change ourselves and our way of doing business."

**THANK YOU FOR YOUR
ATTENTION**

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