



The Economic Issues in Areas with Extractive Industry

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Achieving Sustainable Development in
Regions with Extractive Industries

June 14th 2013

Paria Suites



Structure of presentation

- Brief outline of Dutch Disease and resource curse
- Effect on labour flows – deindustrialization, deagriculturalization, productivity issues, geographic unemployment.
- Effect on Revealed Comparative Advantage
- Mineral dependence syndrome
- Effect on education
- Effect on genuine savings – need for Hartwick rule
- Effect on government spending – please spending, inefficient spending, high subsidies



Assumptions of the Dutch Disease Model

- The economy is divided into 2 sectors a Traded Sector and a Non Traded Sector.
- The traded (T) sector is further divided into a
 - Booming tradable (BT) sector and a
 - Non-booming tradable (NBT) sub-sector.

Algebraically :

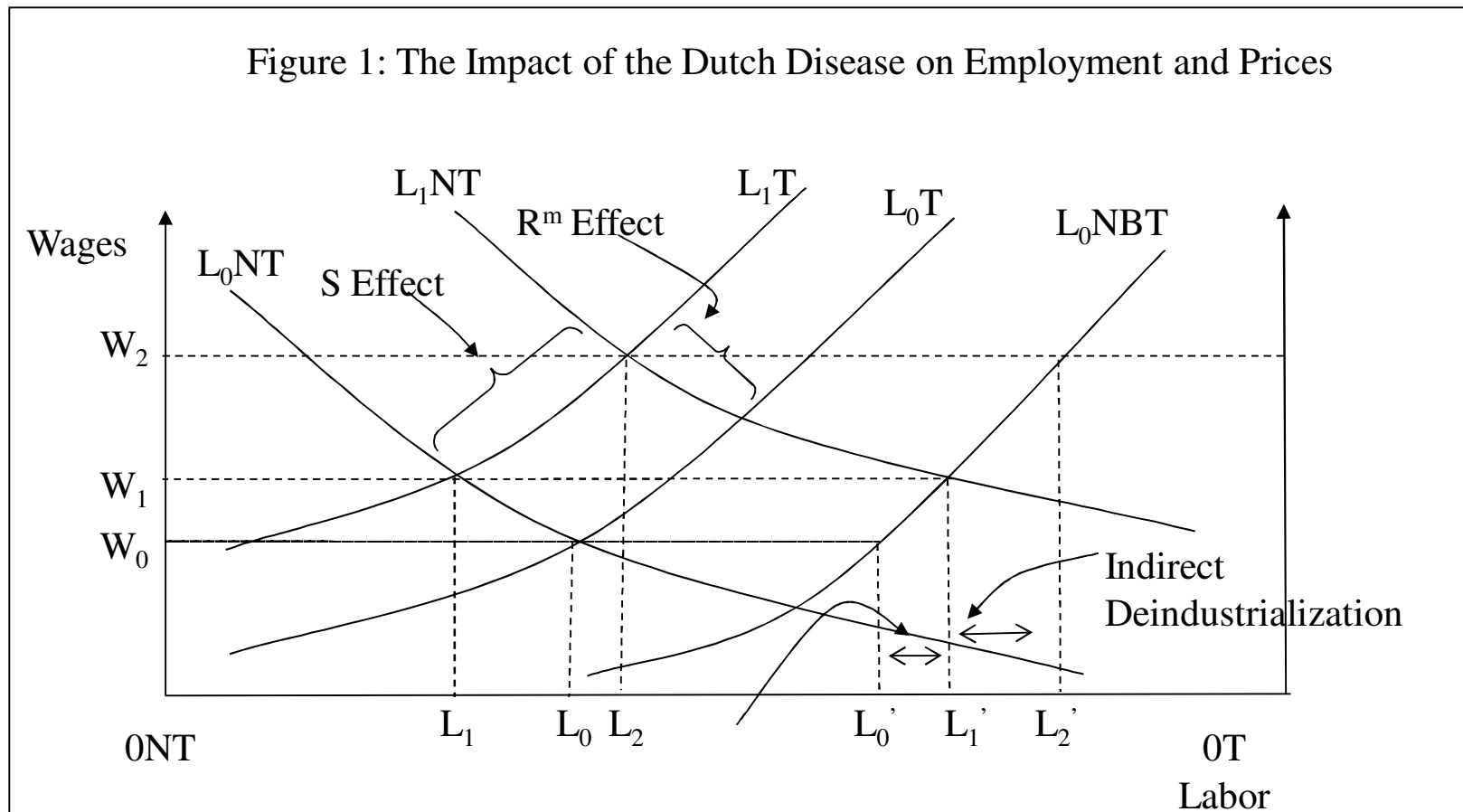
$$Y = T + NT$$

where $T = B + NBT$

- The model also assumes that the Traded Sector (BT and NBT) are price takers and that the economy is at or near full employment.



The Synthesis Model of the Dutch Disease





Labor market changes associated with the Dutch Disease

Table 1: Labor market changes associated with the Dutch Disease.

	L	L ^R	L ^S	L ^{DD} - L	Overall
NBT	NBT ₀	NBT ₁	NBT ₂	NBT ₂ - NBT ₀	-
BT	BT ₀	BT ₁	BT ₂	BT ₂ - BT ₀	+
NT	NT ₀	NT ₁	NT ₂	NT ₂ - NT ₀	+

- Employment in the NT sector increases,
- Employment in the BT sector rises,
- Employment in the NBT sector falls.



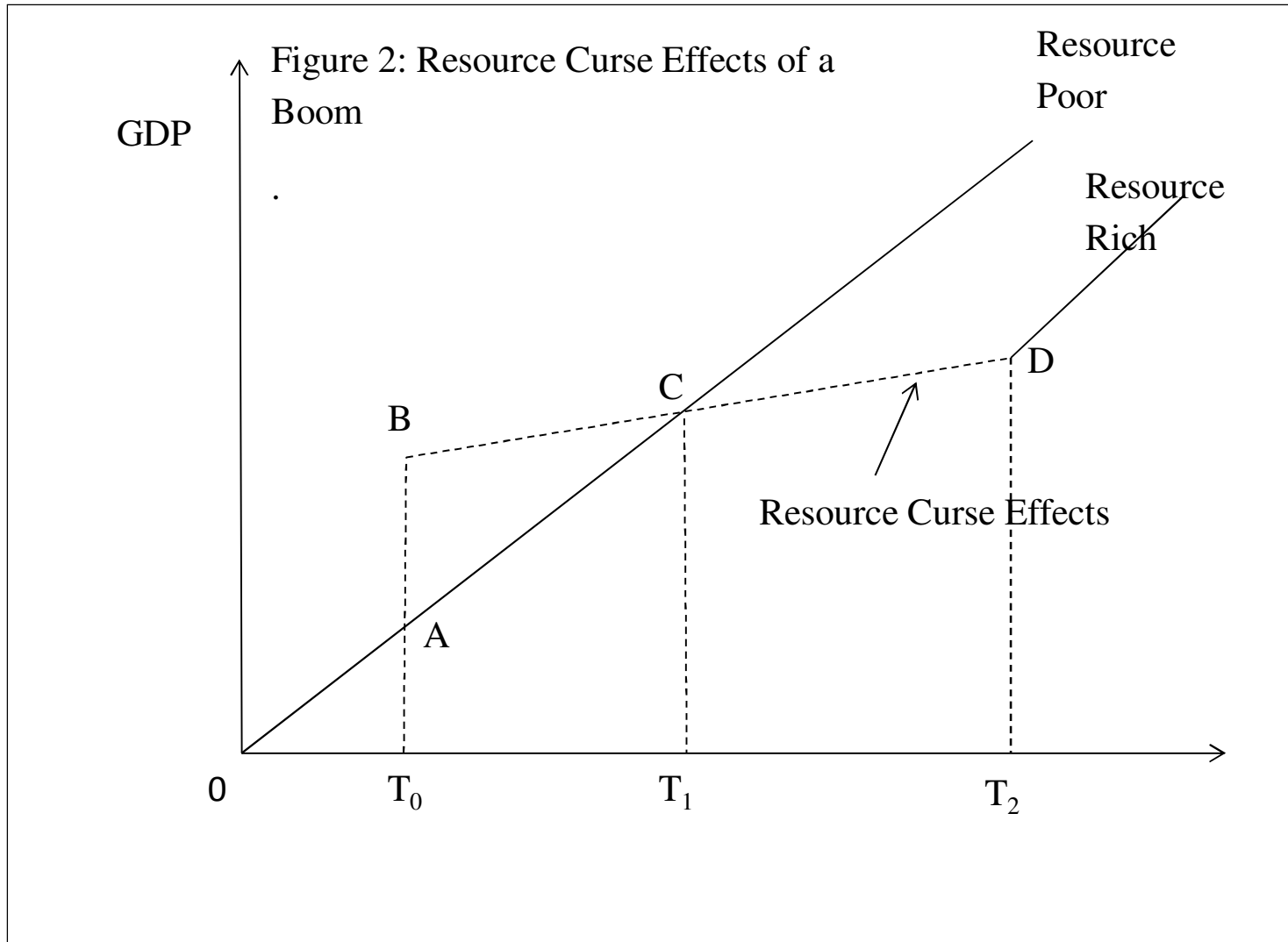
Labor market changes associated with the Dutch Disease

Table 2: Prospective redistribution of labour in the BT, NBT and NT sector

Initial Employment by sector	Dutch Disease Employment by sector	Initial period sectoral share of employment	Dutch Disease employment share	Expected change in employment share	Brief Notes
NBT₀	NBT ₂	$\frac{NBT_0}{E_0}$	$\frac{NBT_2}{E_1}$	↓	Loses workers on account of a resource movement and spending effect
NT₀	NT ₂	$\frac{NT_0}{E_0}$	$\frac{NT_2}{E_1}$	↑	Dominant spending effect that swamps a negative resource movement effect
BT₀	BT ₂	$\frac{BT_0}{E_0}$	$\frac{BT_1}{E_1}$	↑	Positive resource movement effect that is only very marginal

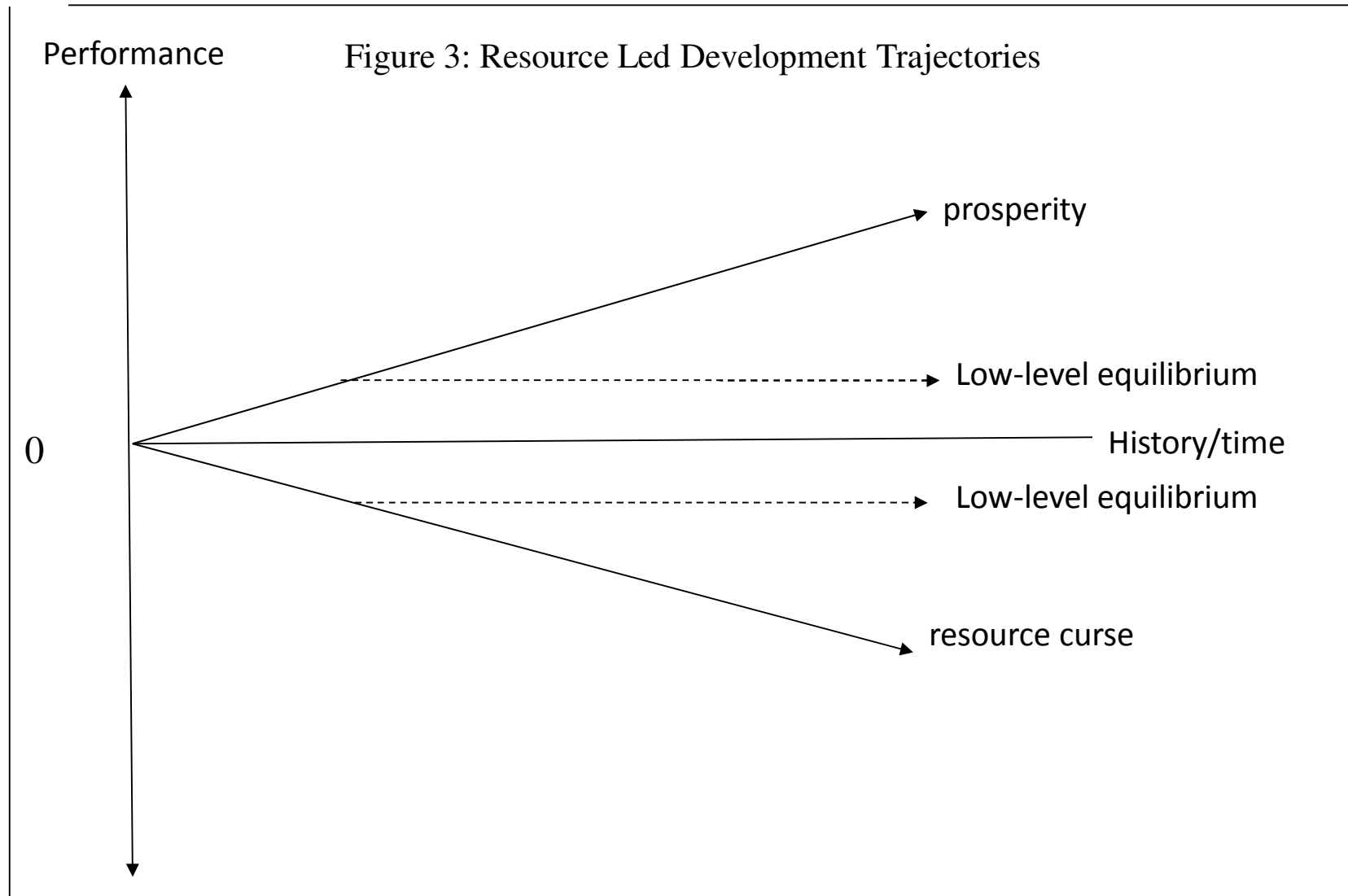


Illustrating the Resource Curse Effects of a Resource Boom



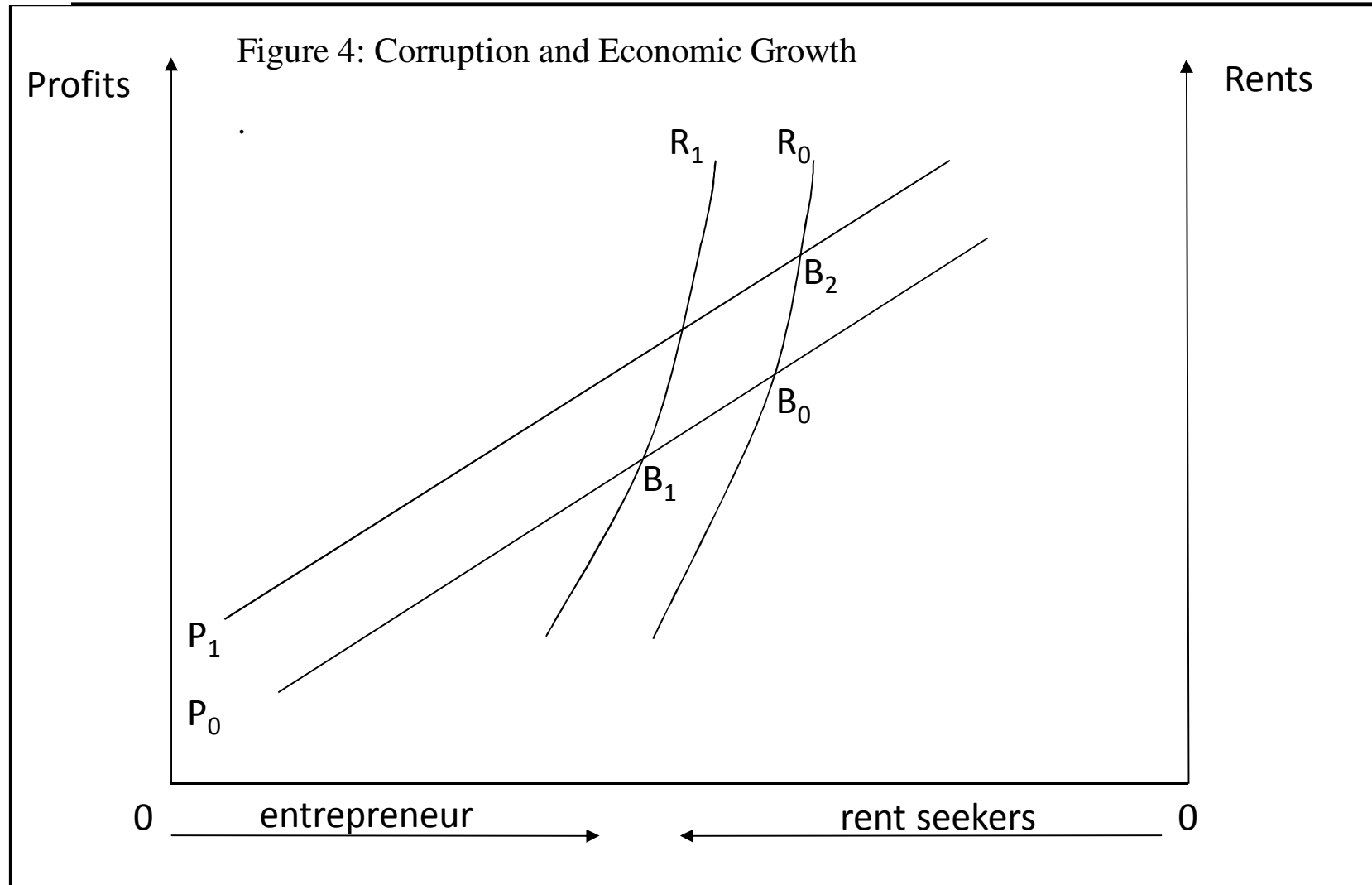


Natural Resource-Led Development Trajectories





Corruption and Economic Growth



P: profit, R: rent



Figure 5: Distribution associated with differing evolution of RCA Indices

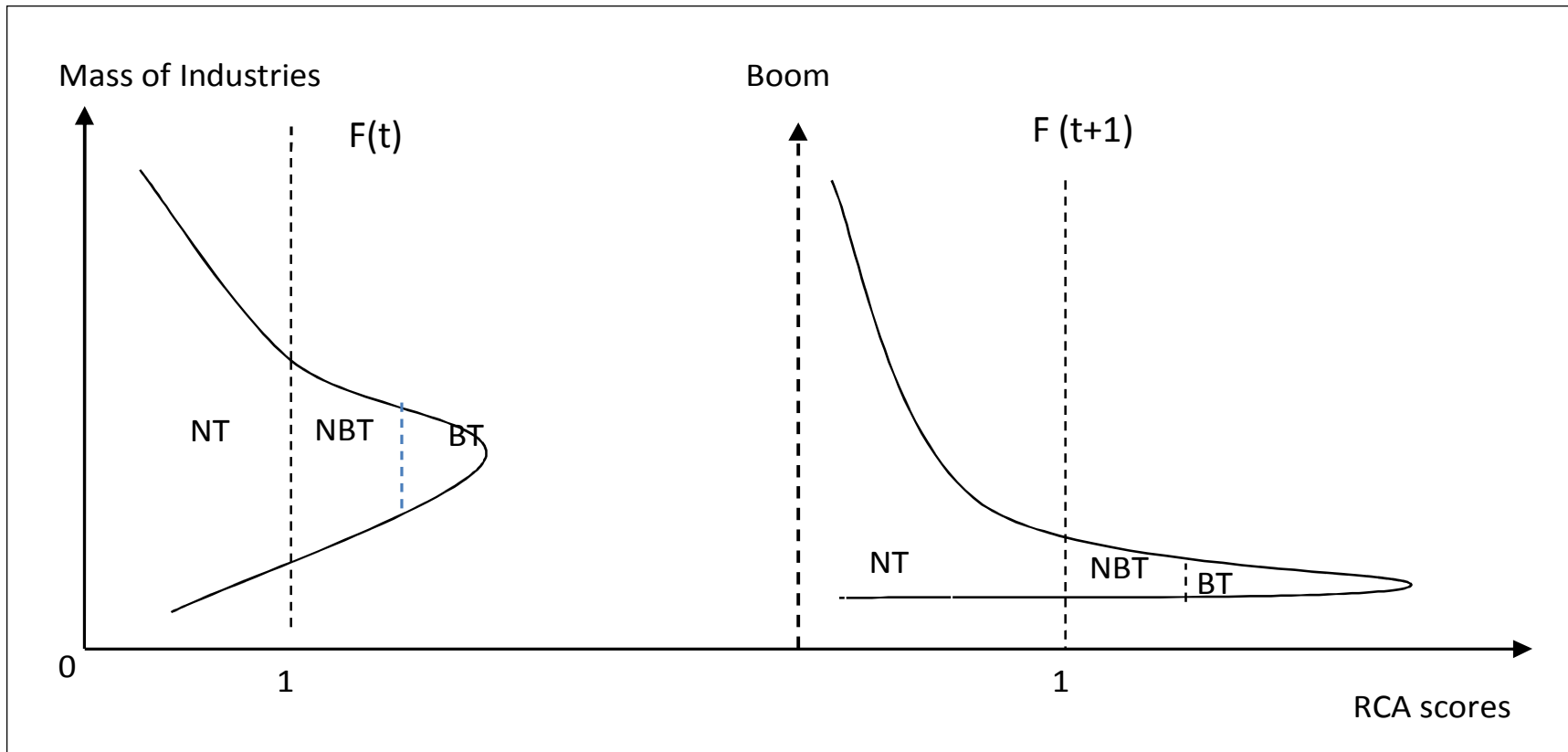




Table 3: Experimental output of Trinidad and Tobago using growth rate of St Lucia, Antigua and Barbados, 1977-2009.

	Growth rate of GDP (Constant LCU)			GDP (Constant LCU)		
	Antigua and Barbuda	St. Lucia	Trinidad and Tobago	Antigua and Barbuda	St. Lucia	Trinidad and Tobago
1977				100	100	100
1978	4.18	3.51	10.02	104.2	103.5	110
1979	7.34	3.51	3.6	111.8	107.1	114
1980	8.6	3.51	10.39	121.4	110.9	125.8
1981	4.08	3.51	4.58	126.4	114.8	131.6
1982	0.17	-10.82	4.04	126.6	102.4	136.9
1983	4.68	4.25	-9.2	132.5	106.7	124.3
1984	9.75	23.5	-5.75	145.5	131.8	117.2
1985	7.99	-5.81	-4.12	157.1	124.1	112.3
1986	12.72	14.88	-3.28	177.1	142.6	108.6
1987	8.26	1.94	-4.56	191.7	145.4	103.7
1988	5.42	12.17	-3.92	202.1	163.1	99.6
1989	5.77	9.06	-0.83	213.7	177.9	98.8
1990	2.55	23.54	1.51	219.2	219.7	100.3
1991	2.04	2.68	2.68	223.7	225.6	103
1992	0.85	7.02	-1.65	225.6	241.5	101.3
1993	5.39	2.57	-1.45	237.7	247.7	99.8
1994	6.33	1.42	3.56	252.8	251.2	103.4
1995	-4.18	3.29	3.95	242.2	259.4	107.5
1996	6.74	5.42	3.95	258.5	273.5	111.7
1997	4.89	0.4	2.7	271.2	274.6	114.7
1998	4.41	6.35	7.77	283.1	292	123.6
1999	4.12	2.36	4.39	294.8	298.9	129.1
2000	1.48	0	6.13	299.2	298.9	137
2001	2.21	-5.12	4.09	305.8	283.6	142.6
2002	2.52	3.11	8.01	313.5	292.4	154
2003	5.07	2.03	14.43	329.4	298.4	176.2
2004	7.03	5.63	7.9	352.5	315.2	190.1
2005	4.19	4.34	5.8	367.3	328.9	201.1
2006	13.28	5.88	13.5	416.1	348.2	228.3
2007	9.08	2.15	4.6	453.8	355.7	238.8
2008	1.47	5.40	2.70	454.6	358.7	244.3
2009	-10.35	-1.3	-3.30	415.9	344.9	237
2010	-8.91	3.4	0	378.8	357	237
2011	-0.51	0.2	1.4	376.9	357	240

Source: World Development Indicators (Various years).



Figure 6: Trends in the nominal price and production of crude oil, 1955-2012

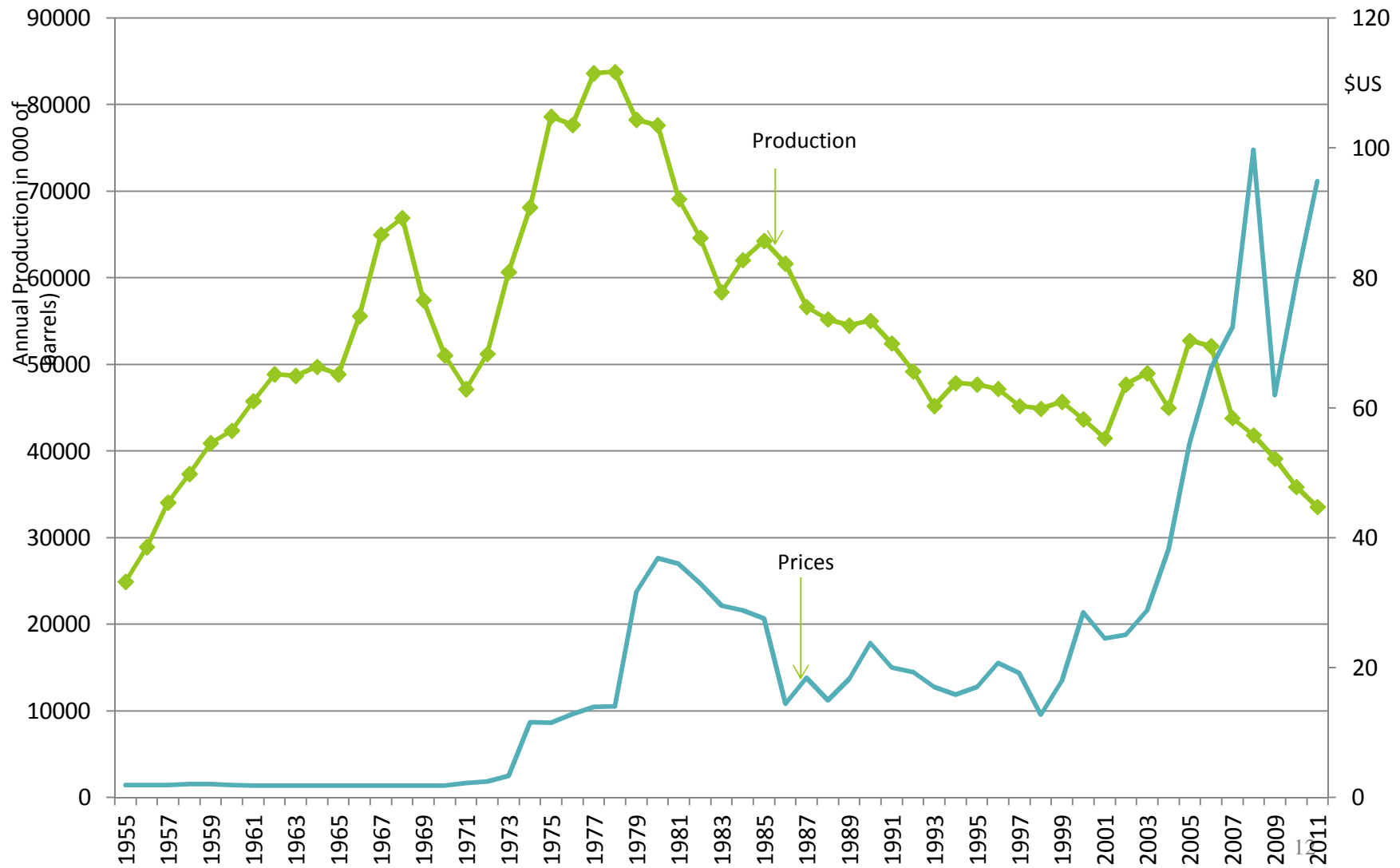
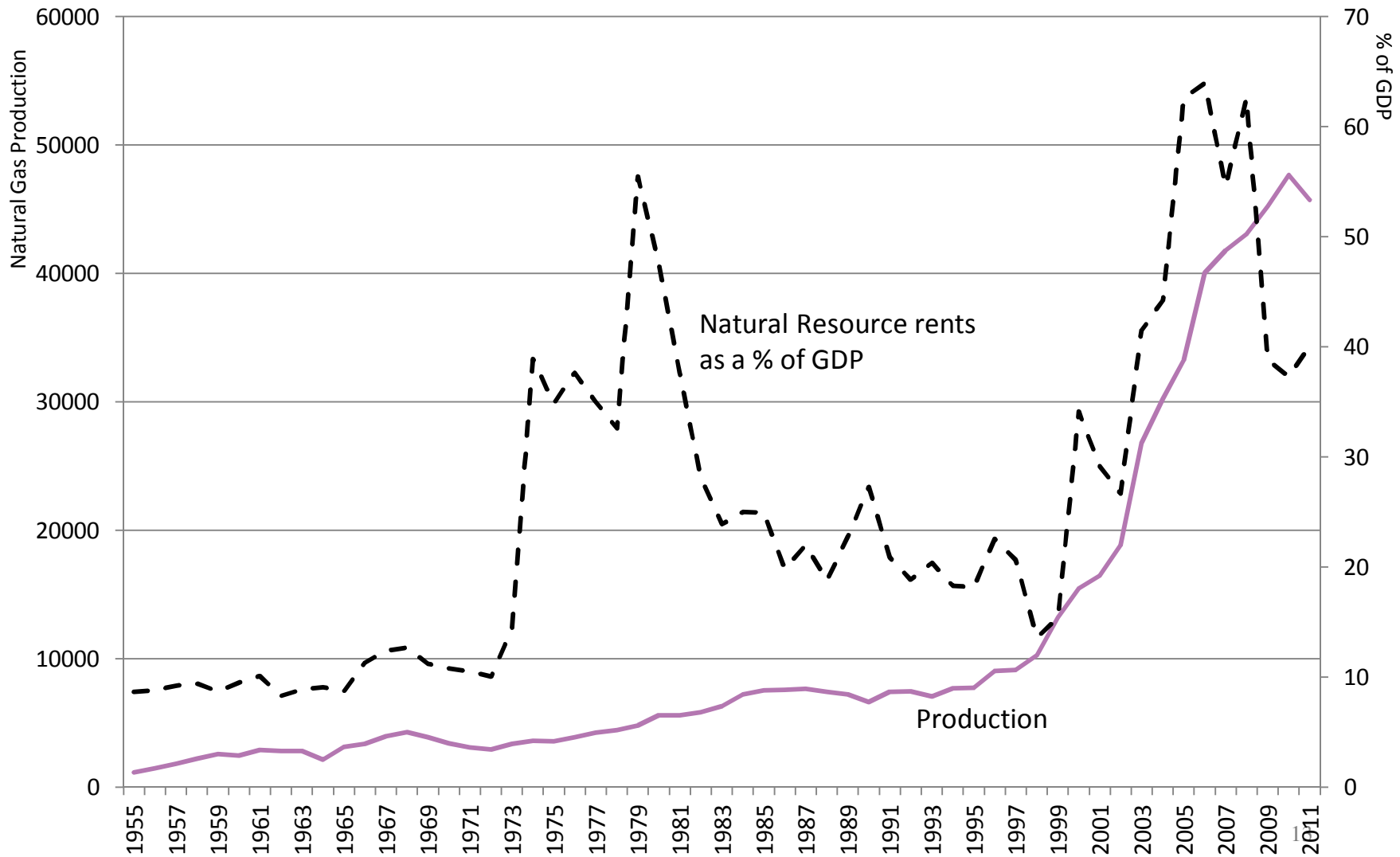




Figure 7: Trends in natural gas production and natural gas resource rents as a percentage of GDP, 1955-2012





Basic macroeconomic attributes of the TT economy.

- Structure of GDP, and other macroeconomic outcomes
- Effect on Genuine Savings
- Dutch Disease and RCA
- Labor market effects; spillover strikes, labor productivity, outcomes including an assessment of the factors influencing unemployment rates and unemployment, evidence from shift share analysis.
- Increased levels of pollution
- Mineral dependence syndrome
- Effect on education
- Effect on government spending – please spending, inefficient spending, high subsidies.



Table 4: Oil generates significant revenues

	Production (000 barrels)	Oil Rents (US\$mns)	Oil Windfall (US\$mns)
1991	52,423.00	377.45	-20.97
1992	49,195.00	305.01	-118.07
1993	44,633.00	183	-111.58
1994	47,235.00	127.53	-89.75
1995	47,576.00	190.3	90.39
1996	47,112.00	273.25	127.2
1997	45,166.00	271	18.07
1998	44,759.00	-	-205.89
1999	45,688.90	219.31	233.01
2000	43,680.50	690.15	620.26
2001	41,521.30	589.6	274.04
2002	47,706.60	548.63	186.06
2003	48,981.10	847.37	475.12
2004	44,984.70	1,219.09	742.25
2005	52,739.60	2,220.34	1,661.30
2006	52,104.80	2,688.61	1,729.88
2007	43,807.00	2,536.43	976.9
2008	41,827.80	3,564.98	1,239.36
2009	39,117.00	1,860.01	271.86
2010	35,854.90	2,333.44	519.18
2011	33,551.60	2,700.23	667.01
2012p	36400.00	2,976.06	770.22

Source: Annual Economic Survey (various years) and own computations.



Table 5: Real value added 2000 base year, 1973-2011

	BT	NBT	NT	Total
1973	11,170.10	2,085.10	22,226.50	35,481.80
1974	11,147.80	2,365.80	23,779.90	37,293.50
1975	12,284.90	2,569.90	24,085.20	38,939.90
1976	14,090.80	2,705.90	26,274.40	43,071.10
1977	13,865.30	2,679.30	28,309.80	44,854.40
1978	14,031.70	2,732.60	30,835.90	47,600.20
1979	13,274.00	2,881.90	32,227.50	48,383.40
1980	13,088.10	3,108.30	35,078.10	51,274.60
1981	11,425.90	3,110.70	35,912.00	50,448.60
1982	10,842.20	3,231.50	35,325.40	49,399.20
1983	9,631.90	3,140.30	31,886.20	44,658.50
1984	10,221.00	3,084.60	27,874.00	41,179.60
1985	10,880.20	2,768.60	26,201.50	39,850.30
1986	10,648.10	2,848.50	23,644.20	37,140.80
1987	9,892.70	2,940.70	21,918.10	34,751.40
1988	9,782.40	2,850.90	20,860.30	33,493.70
1989	9,724.30	3,001.70	21,099.20	33,825.20
1990	9,889.10	3,058.80	21,547.70	34,495.50
1991	9,956.00	3,174.20	21,947.10	35,077.20
1992	9,555.50	3,053.50	21,900.70	34,509.70
1993	8,896.30	2,975.10	22,910.10	34,781.60
1994	9,674.60	2,989.50	23,378.30	36,042.40
1995	9,724.10	3,086.20	23,059.60	35,869.90
1996	10,413.40	3,119.50	24,281.60	37,814.50
1997	10,599.90	3,478.90	26,751.40	40,830.20
1998	11,472.90	3,870.30	28,568.90	43,912.10
1999	13,993.90	4,129.40	30,081.10	48,204.40
2000	16,072.80	4,162.00	31,324.50	51,559.30
2001	16,970.50	4,568.70	31,925.00	53,464.20
2002	19,259.60	4,796.80	33,460.40	57,516.80
2003	25,302.30	5,156.40	35,674.10	66,132.80
2004	27,383.80	5,368.40	38,330.40	71,082.60
2005	29,651.20	6,061.00	39,284.30	74,996.50
2006	36,102.60	6,706.20	41,813.30	84,622.10
2007	36,723.80	7,697.70	44,538.50	88,960.00
2008	36,883.70	8,071.60	46,678.40	91,633.70
2009	36,600.00	8,016.30	47,804.00	92,420.30
2010	35,944.00	8,071.60	44,996.30	89,011.90
2011	37,091.00	8,359.70	43,347.80	88,798.50
2012	35,742.57	8057.316	45083.294	88,976.10

Source: National Income Accounts Yearbook (various years)



Table 6: Some basic Macroeconomic indicators, 1991 -2011.

Year	Total reserves in months of imports	Total reserves (includes gold, current US mn\$)	Current account balance (% of GDP)	GDP per capita (constant 2000 US\$)
1991	1.92	357.68	-0.09	5007.59
1992	1.12	190.21	2.51	4887.1
1993	1.53	228.18	2.47	4778.19
1994	2.3	373.08	4.4	4911.23
1995	1.77	379.08	5.51	5071.29
1996	2.47	563.76	1.83	5240.66
1997	2.36	723.24	-10.69	5354.5
1998	2.62	800.04	-10.65	5743.77
1999	3.31	962.76	0.45	5970.33
2000	3.81	1,402.80	6.67	6311.11
2001	5.01	1,923.86	4.71	6544.68
2002	5.35	2,048.59	0.85	7044.09
2003	5.89	2,476.58	8.76	8033.1
2004	6.69	3,195.02	12.78	8637.57
2005	8.43	4,992.26	22.49	9102.42
2006	9.84	6,624.62	39.58	10264.67
2007	9.4	6673.5	22.8	10714.74
2008	11.5	9380.3	30.3	10959.66
2009	11.9	8651.6	8.5	10555.89
2010	13.1	9070.0	20.2	10513.53
2011	13.5	9822.7	7.8	10328.73
2012	10.4	9200.7	13.2	10331.62

Source: Annual Economic Survey of T&T (Various years).



Table 7: Full employment in a Recessionary environment, 1991-2012

	Real Economic growth Rate	Unemployment Rate (%)	Transfers and Subsidies (TT\$mn)
1991	2.7	18.47	1305
1992	-1.6	19.57	1054
1993	-1.45	19.74	1204
1994	3.6	18.39	1437
1995	4	17.17	1597
1996	3.8	16.25	2115
1997	2.8	15.01	1828
1998	7.8	14.23	2199
1999	4.4	13.15	2370
2000	7.3	12.17	3041
2001	4.3	10.83	3157
2002	6.8	10.4	3526
2003	13.2	10.47	4149
2004	7.9	8.37	6268
2005	5.4	7.97	8177
2006	13.4	6.22	10935
2007	5.5	5.54	13297
2008	2.4	4.6	14653
2009	-3.5	5.3	15540
2010	0	5.9	15677
2011	-1.4	5.8	19718
2012p	0.2	4.9	19632.6

Source: Annual Economic Survey (Various years); CSSP (Various years).



.. and indeed we have become very dependent on the petroleum sector

Table 8: Indicators of Petroleum Dependence

	Petroleum FDI	Petroleum FDI as % of Total FDI	Petroleum GDP (US\$)	Petroleum GDP as % of Total GDP	Petroleum exports (US\$)	SITC 3+5 exports as % of Total Exports	Oil Revenues (US\$)	Oil revenues as a % of Total revenues
1991	125.1	86.8	2,322.25	32.79	1061.9	82.14	633.87	44.84
1992	153.2	89.6	2,228.85	30.76	992.8	79.47	423.95	28.95
1993	348.9	93.6	1,554.03	28.5	766.4	73.83	315.16	27.83
1994	275.1	52.8	1,632.52	30.92	752.9	75.74	319.93	26.69
1995	266	90	1,635.24	28.14	1118.3	70.74	429.61	32.6
1996	334.7	93.9	1,725.39	28.66	1125.6	73.07	507.12	34.82
1997	952.2	95.3	1,686.65	27.29	1078.5	70.13	321.51	23.04
1998	599.7	81.9	1,821.62	27.44	914	66.5	182.83	12.07
1999	467.7	72.7	2,221.36	30.24	1462.7	73.14	317.43	18.97
2000	613.7	90.3	2,551.32	31.29	2739.1	82.61	699.01	40.06
2001	816.3	97.8	2,723.38	31.71	2549.9	80.48	563.04	27.86
2002	738.2	93.4	3,082.87	33.34	2328.7	76.79	587.25	26.78
2003	738.5	91.4	4,019.30	38.29	3346.5	84.09	1,096.81	45.49
2004	913.4	91.5	4,347.69	38.08	3800.3	84.08	1,295.34	44.23
2005	857.3	91.2	4,230.62	35.17	6669.1	89.22	2,516.32	70.63
2006	794.9	90.1	5,719.51	40.21	10716.2	89.26	3,344.55	77.78
2007	763.4	92	5,800.94	40.85	8752.4	85.28	3,060.25	61.57
2008	588.8	21	5,819.64	39.64	12748.7	88.2	4,945.14	86.16
2009	646.9	91	5,932.26	42.02	6932.2	87.43	2,423.43	41.41
2010	501	91	6,002.24	42.86	6748.2	84.4	2,999.39	43.13
2011p	1101	90	5,957.17	43.47	325.2	87.2	3,624.72	47.31
2012p	n.a.	n.a.	5511.64	43.7	n.a.	n.a.	n.a.	36.37

Source: Central Bank of T&T Annual Economic Survey, (various years)

*In 2008 the Total inflow of FDI was US\$2800.8mn an increase as compared to US\$830 mn in the previous year. This was due to the purchase of the RBTT Ltd by the Bank of Canada. This accounts for the fall in the relative proportion attributed to Petroleum.



Shale Gas



Resource Wealth and Genuine Savings

Table 9: Trinidad and Tobago Genuine Savings	
Genuine Savings (% Of GNI)	
1994	3.00
1995	6.03
1996	(0.50)
1997	(3.82)
1998	3.34
1999	0.25
2000	(5.71)
2001	3.19
2002	(4.11)
2003	(4.50)
2004	(7.11)
2005	(2.41)
2006	(3.92)
2007	(14.84)
2008	(24.60)
2009	
2010	
2011	



Table 10: Dutch Disease and Change in RCA Values

Master List	1999	2011	change	gain or loss	State to state	
17	1.16	0.36	-0.8	Loss	b	a
46	2.29	1.25	-1.04	Loss	b	b
48	4.51	1.9	-2.61	Loss	d	b
58	1.86	0.88	-0.98	Loss	b	a
59	2.71	1.88	-0.83	Loss	c	b
61	6.01	0.14	-5.87	Loss	d	b
62	3.33	0.6	-2.73	Loss	d	b
72	1.09	0.24	-0.85	Loss	b	a
73	1.15	0.56	-0.59	Loss	b	a
75	1.16	0.35	-0.81	Loss	b	a
91	4.32	1.91	-2.41	Loss	d	b
98	1.31	0.48	-0.83	Loss	b	a
111	15.17	5.81	-9.36	Loss	d	d
112	1.86	0.85	-1.01	Loss	b	a
122	1.16	2.96	1.8	Gain	b	c
333	3.59	1.78	-1.81	Loss	c	b
334	17.68	4.37	-13.31	Loss	d	d
342	14.58	5.1	-9.48	Loss	d	d
343	6.22	24.51	18.29	Gain	d	d
344	41.95	2.36	-39.59	Loss	d	c
512	23.72	12.56	-11.16	Loss	d	d
522	37.15	9.6	-27.55	Loss	d	d
554	3.4	1.29	-2.11	Loss	c	b
562	6.24	3.6	-2.64	Loss	d	c
635	1.48	0.16	-1.32	Loss	b	a
642	3.69	1.54	-2.15	Loss	c	b
661	3.85	0.77	-3.08	Loss	c	a
665	1.94	0.46	-1.48	Loss	b	a
671	10.41	5.22	-5.19	Loss	d	d
676	14.86	1.3	-13.56	Loss	d	b
691	1.08	0.1	-0.98	Loss	b	a
693	1.29	0.22	-1.07	Loss	b	a
723	1.09	0.47	-0.62	Loss	b	a
741	1.27	0.07	-1.2	Loss	b	a



Intra distribution dynamics: Transition Probability Matrices and Markov Chains

Table 11: Transition probability matrix for movement amongst states, 1999 – 2011

		To			
		a	b	c	d
From	a	0.913	0.0031	0.014	0.099
	b	0.314	0.487	0.09	0.101
	c	0.213	0.118	0.593	0.112
	d	0.113	0.228	0.065	0.618



Table 12: Procyclicality of Fiscal policy: Government expenditure and transfers and subsidies

Year	Total Expenditure (TT million)	Transfers and Subsidies
2000	10993.5	3041.18
2001	12594.9	3157.48
2002	13697.4	3525.52
2003	15179.4	4148.84
2004	18448.1	6268.25
2005	22444.6	8177.33
2006	27142.7	10934.5
2007	31454	13296.7
2008	36097.9	14653
2009	37025.2	15539.6
2010	41802.52	15676.6
2011	48696.45	19717.6

Source: Central Bank of Trinidad and Tobago (2012).



Figure 8: Cumulative distribution of major man days lost by major sector (BT, NBT and NT), 1973-2010

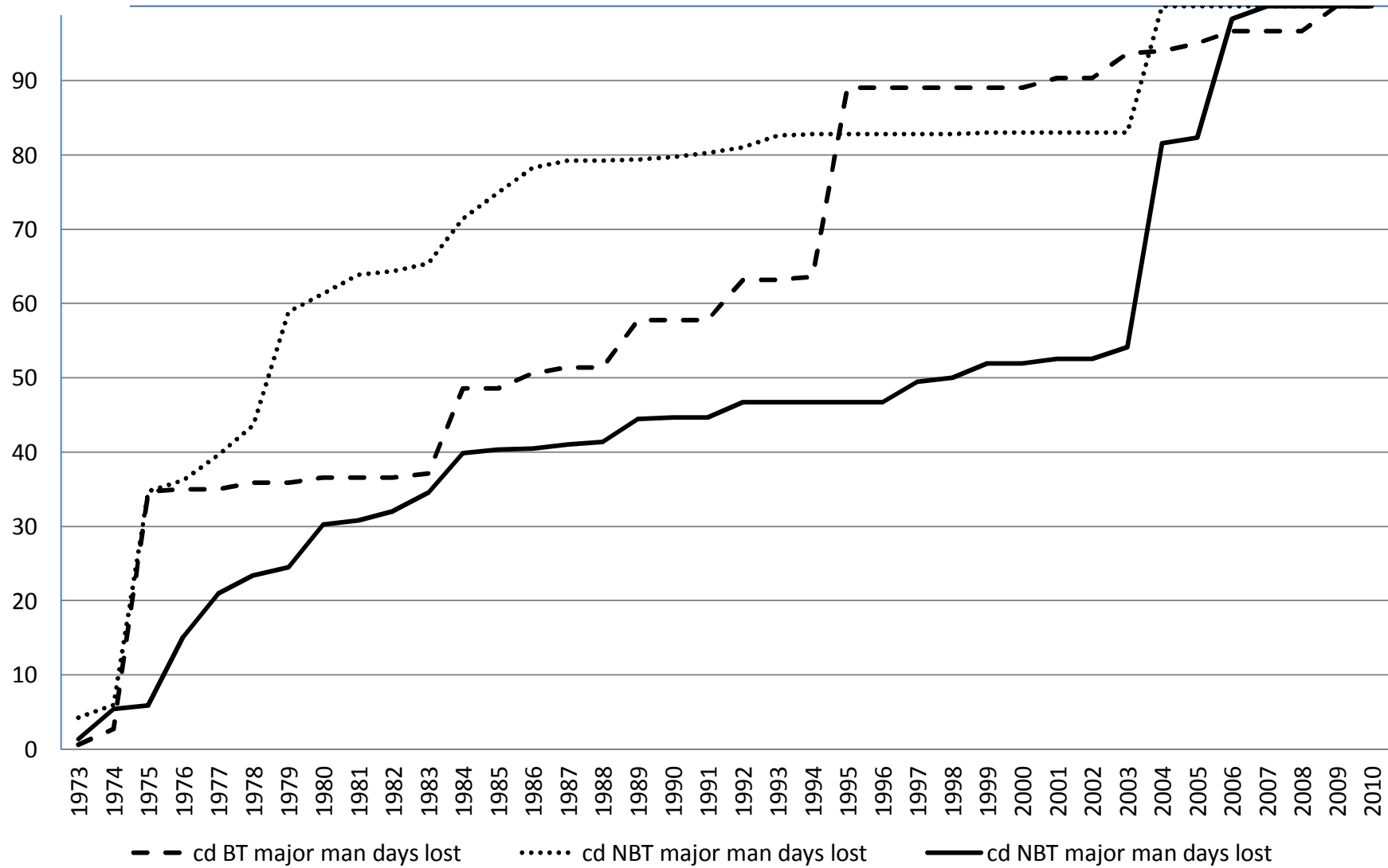
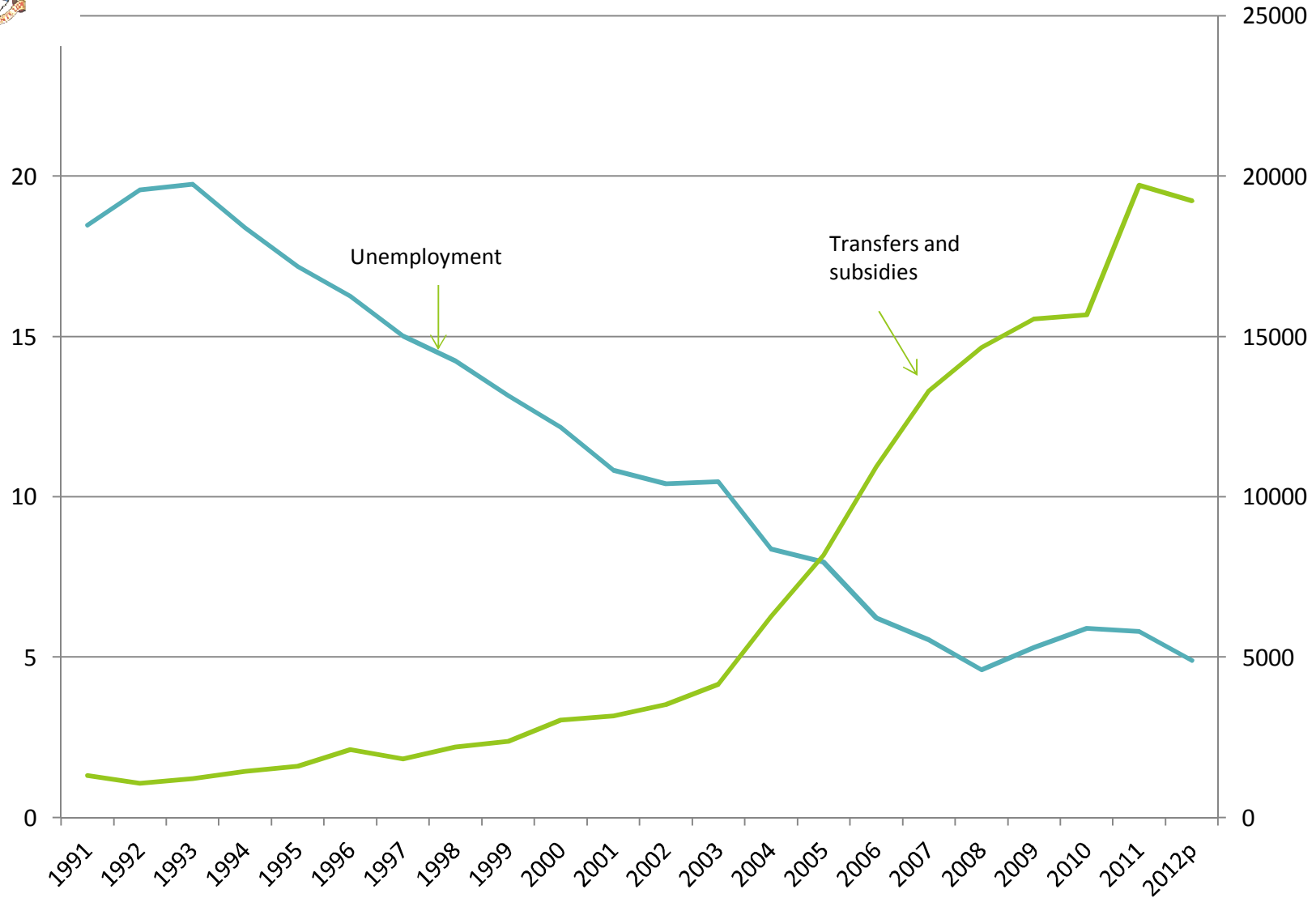




Figure 9: Government now determines labor market equilibrium (1991-2012)





Correlations amongst all the variables

Table 13: Correlation scores between various indicators			
	Unemployment rate	Real GDP TTmn	real transfers
1973	15.4	29733.64	1466.574
1975	15	31326.47	2268.454
1980	9.9	45750.87	4602.837
1985	15.7	32631.37	7289.119
1990	20	31753.63	3385.882
1995	17.2	34556.5	1931.962
2000	12.1	51370.7	3041.18
2001	10.8	53516	2990.038
2002	10.4	57759.2	3207.071
2003	10.5	66084.4	3639.429
2004	8.3	71915.7	5302.421
2005	8	75785.6	6476.914
2006	6.8	89795.4	7997
2007	5.5	89874.3	9012.61
2008	4.6	92334	8867.787
2009	5.3	89306.3	8772.709
2010	5.9	89285.1	8009.096
2011	4.9	88060.8	9575.687
	correlation UR and real GDP	correlation UR and real transfers	
1973-2011	-0.90	-0.67	
1994-2008	-0.98	-0.91	
2005-2011	-0.81	-0.93	
2009-2011	0.79	-0.99	



Figure 10: Labor shares in manufacturing and the services sector, 1973 – 2011.

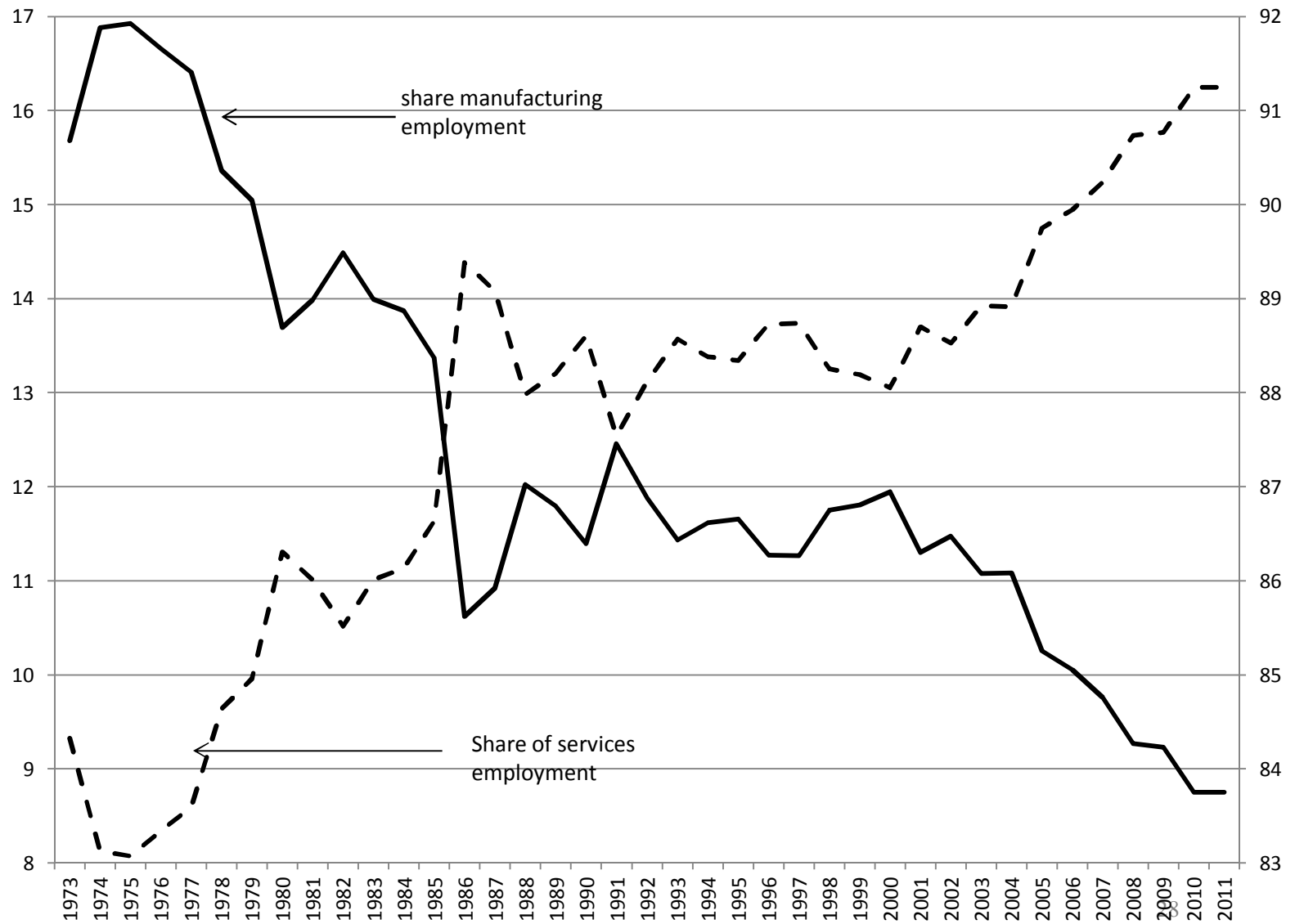




Figure 11: Output per worker in the services and manufacturing sector, 1973-2011

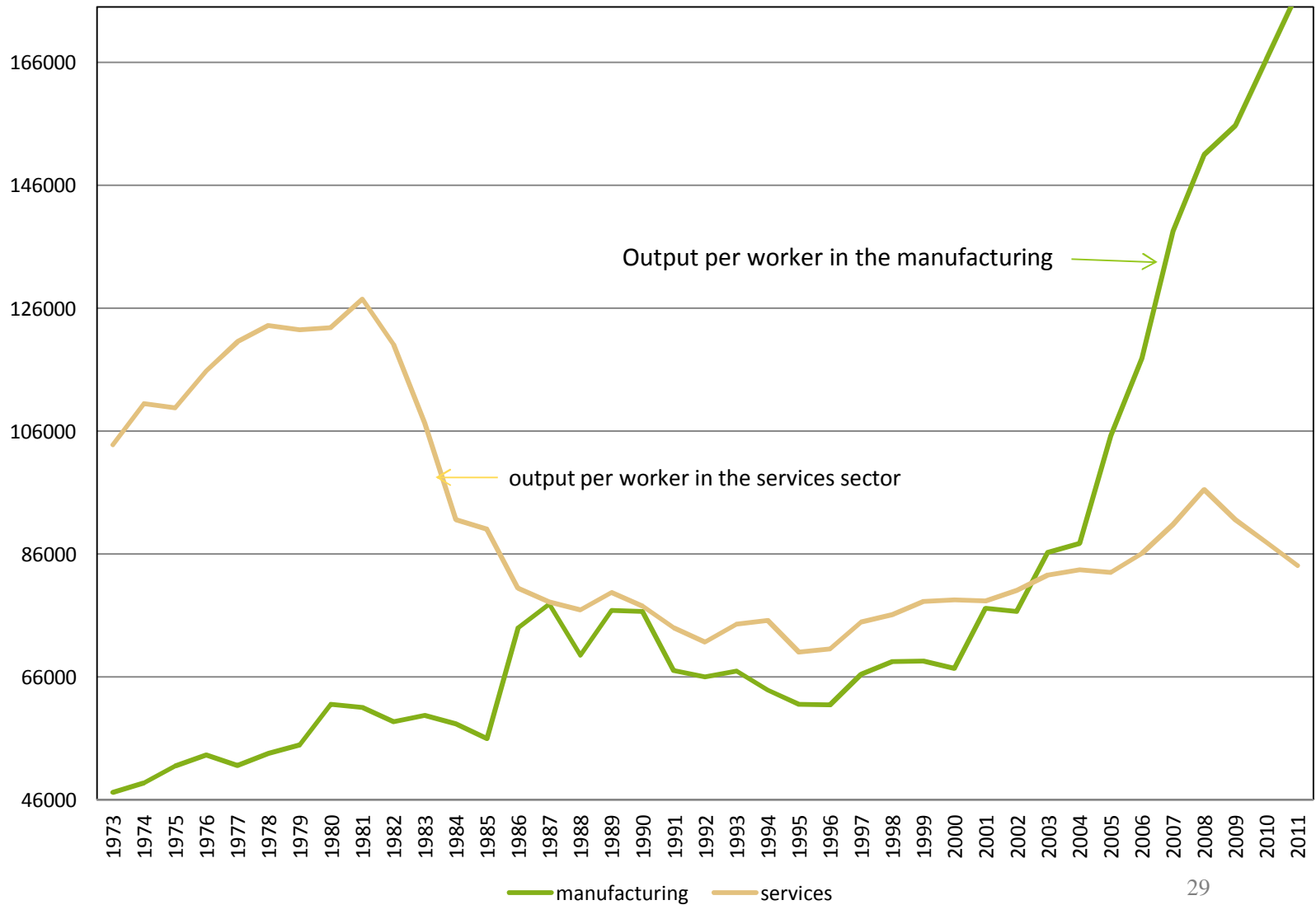




Table 14: Summary in BT, NBT and NT segments of the economy

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Real Value added					Employment				
	BT	NBT	NT	SUM		BT	NBT	NT	SUM
1973	11170.14	2085.15	22226.51	35481.81	1973	16168	61400	243912	321480
1982	10842.24	3231.49	35325.42	49399.16	1982	18200	65600	316200	400000
1993	8896.34	2975.13	22910.12	34781.59	1993	15400	56800	332200	404400
2008	36600.30	8016.10	47804.10	92420.50	2008	18800	56700	511600	587100
2011	35644.00	8244.70	43225.20	87113.90	2011	17200	51500	508700	577400
employment shares					change in employment shares				
	BT	NBT	NT	SUM		BT	NBT	NT	
1973	0.050	0.191	0.759	1.0	1973-2011	-0.021	-0.102	0.122	
1982	0.046	0.164	0.791	1.0	1973 -1982	-0.005	-0.027	0.032	
1993	0.038	0.140	0.821	1.0	1982-1993	-0.007	-0.024	0.031	
2008	0.032	0.097	0.871	1.0	1993-2008	-0.006	-0.044	0.050	
2011	0.030	0.089	0.881	1.0	2008-2011	-0.002	-0.007	0.010	
Labor productivity					change in labor productivity				
	BT	NBT	NT	SUM		BT	NBT	NT	Sum
1973	690879.7	33960.1	91125.1	110370.2	1973-2011	1381445.8	126131.2	-6153.2	40502.5
1982	595727.7	49260.6	111718.6	123497.9	1973 -1982	-95152.1	15300.5	20593.5	13127.7
1993	577684.4	52379.1	68964.8	86007.9	1982-1993	-18043.3	3118.5	-42753.7	-37490.0
2008	1946824.5	141377.4	93440.4	157418.7	1993-2008	1369140.1	88998.3	24475.5	71410.8
2011	2072325.6	160091.3	84971.9	150872.7	2008-2011	125501.1	18713.8	-8468.5	-6546.0



Table 15: Aggregate labour productivity and its shift share components, various time periods.

	Static Shift Share (LP Δ S)					Intra Industry Productivity (S Δ LP)			
	sse	BT	NBT	NT		lip	BT	NBT	NT
1973-2011	-0.059	-0.128	-0.031	0.101	1973-2011	0.805	0.629	0.218	-0.042
1973-1982	-0.012	-0.030	-0.008	0.026	1973 -1982	0.125	-0.043	0.026	0.142
1982-1993	-0.017	-0.036	-0.009	0.028	1982-1993	-0.276	-0.007	0.004	-0.274
1993-2008	-0.027	-0.041	-0.027	0.040	1993-2008	0.985	0.606	0.145	0.234
2008-2011	-0.029	-0.028	-0.007	0.006	2008-2011	-0.010	0.026	0.011	-0.047
	Dynamic Shift Share (Δ LP Δ S)					aggregate labour productivity			
	DSE	BT	NBT	NT		LP	BT	NBT	NT
1973-2011	-0.380	-0.257	-0.116	-0.007	1973-2011	0.367	0.245	0.071	0.052
1973-1982	0.006	0.004	-0.004	0.006	1973 -1982	0.119	-0.069	0.014	0.174
1982-1993	-0.010	0.001	-0.001	-0.011	1982-1993	-0.304	-0.041	-0.006	-0.256
1993-2008	-0.128	-0.096	-0.045	0.014	1993-2008	0.830	0.469	0.073	0.288
2008-2011	-0.003	-0.002	-0.001	-0.001	2008-2011	-0.042	-0.004	0.004	-0.042



CO₂ emissions (kt) for Selected Caricom Economies Average 2005-2008

Belize	413.4543
Guyana	1522.722
Jamaica	12078.18
Suriname	2423.887
Trinidad and Tobago	38059.79
Barbados	1356.79
TT/Jamaica	3.15
TT/Guyana	24.99
TT/Barbados	28.05
TT/Suriname	15.70
TT/Belize	92.05



Table 17: Improper use of economic rents: Petroleum subsidy and government liability (TT\$ Mn)

Year	Subsidy Claims	Government Liability
1992	91.59	2.96
1993	63.07	1.73
1994	26	0.65
1995	47.58	1.19
1996	155.6	15.46
1997	149.28	11.55
1998	18.91	0.37
1999	140.37	22.12
2000	449.45	235.55
2001	322.62	163.97
2002	339.09	133.59
2003	490.98	222.42
2004	912.64	566.42
2005	1621.57	1055.83
2006	1682.6	932.35
2007	2210.3	1563.31
2008	3617.95	2743.81
2009	1599.84	1130.22
2010	2919.32	2355.29
2011	4408.68	3724.51

Source: Ministry of Energy and Energy Industries (2012)



Figure 12: Effect of “Oil Windfall” GATE on Income of Households Pursuing TLE

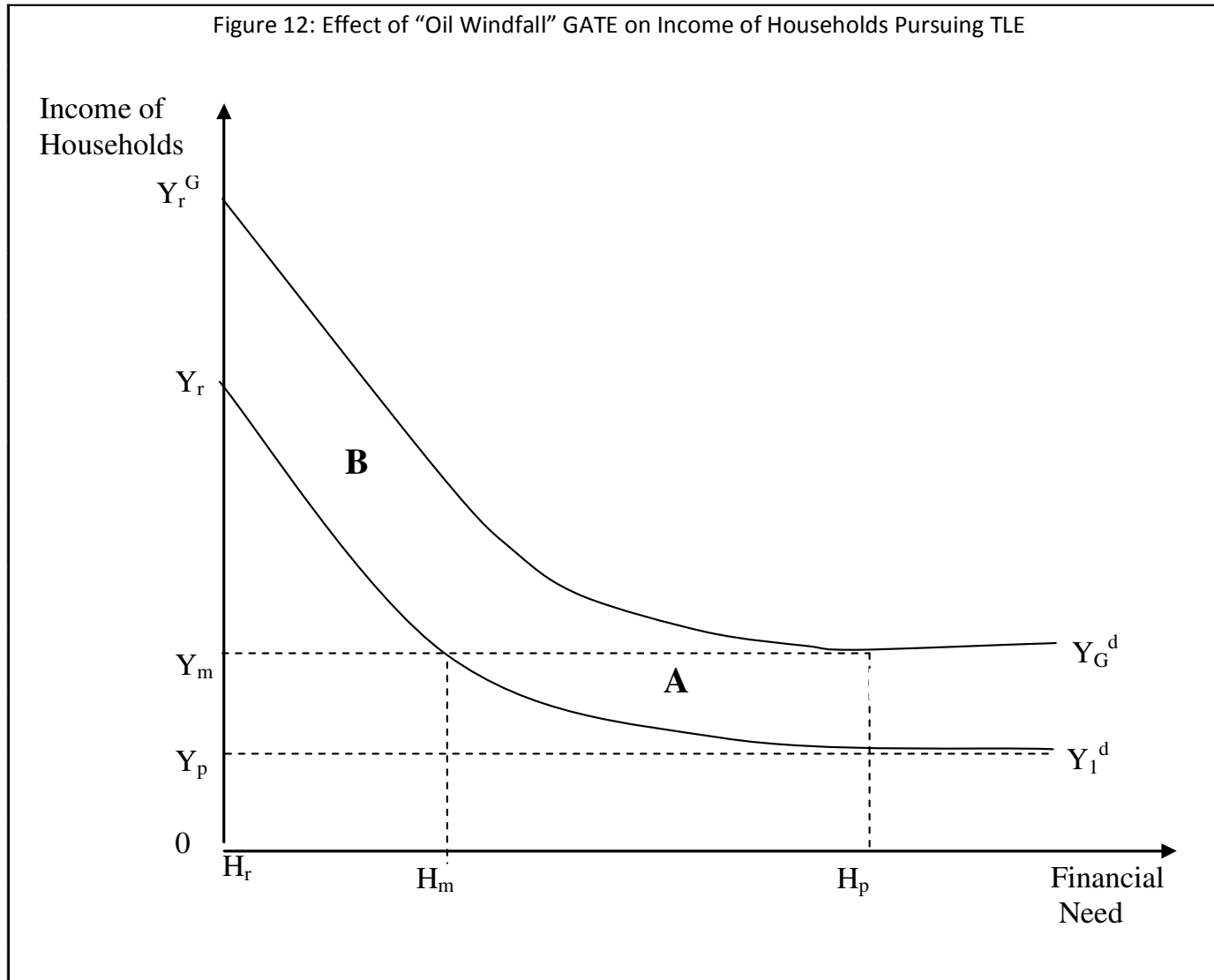




Table 18: Comparison of Household Expenditure and Access to GATE by Income Group of Head and Household Income Group

Income Group (TT\$)	Average Size of Household by Income Group of Head	% Accessing GATE Funding by Income Group of Head	Percentage Distribution of households by Household Income Group	Number of Households by Household Income Group	Average Monthly Savings per household by Household Income Group
All Income Groups	3.4	0.9	100.0	7,090	\$1033.60
Less than 1,000	3.8	0.5	2.0	142	\$114.10
1,000-2,999	3.1	0.2	10.4	737	\$298.50
3,000-4,999	3.3	0.3	17.0	1,205	\$292.90
5,000-6,999	3.4	1	17.2	1,219	\$503.40
7,000-8,999	3.5	1.8	14.0	993	\$767.50
9,000-10,999	3.4	4.6	11.7	830	\$981.20
11,000-12,999	3.3	2.9	7.6	539	\$1389.50
13,000-14,999	3.3	5.5	5.2	369	\$1706.70
15,000-16,999	3.3	1.5	3.9	277	\$1894.40
17,000-18,999	3.3	7.9	2.9	206	\$2110.60
19,000-20,999	4.1	0	2.1	149	\$2256.80
21,000-22,999	4.1	0	1.5	106	\$3418.00
23,000-24,999	2.9	0	0.9	64	\$3293.80
25,000 and Over	3.2	5	3.6	255	\$5079.90



Table 19: The Impact of Crime in Selected Caricom Economies

	Sense of Security in the Caribbean	Perceived Confidence in the Police Control Crime, Caribbean,		Perceived Confidence in the Ability of the Police to Control Gang Violence Caribbean
		Some Amount of Confidence	Great Amount of Confidence	
Antigua and Barbuda	45.9	57.3	14.4	23.5
Barbados	78.7	65.4	16.7	39
Guyana	42.7	53.9	6.7	23.1
Jamaica	35.7	62.5	14.3	23.4
St Lucia	37.7	59.4	11.6	19.1
Suriname	57.6	62.1	15.5	29.7
T&T	24.7	52.7	4.6	9.9



0: English and Mathematics Pass/Fail Rates for Point Fortin East Secondary (PFES) and Point Fortin West Secondary (PFWS), 2003-2009.

	English A (%)		Mathematics (%)	
	Pass	Fail	Pass	Fail
PFES (2002-2003)	29	71	23.1	76.9
PFES (2003-2004)	33.6	66.4	25.5	74.5
PFES (2004-2005)	26.2	73.8	15.5	84.5
PFES (2005-2006)	35.4	64.6	18.2	81.8
PFES (2006-2007)	40.2	59.8	30	70
PFES (2007-2008)	44.1	56	36	64
PFES (2008-2009)	50.3	49.7	28	72
PFES (2009-2010)	50.3	49.7	28	72
PFES (2010-2011)	54.4	45.6	23.3	76.7
PFES (2011-2012)	47.2	52.8	26	74
Point Fortin West Secondary School				
PFWS (2007-2008)	6	94	3	97
PFWS (2008-2009)	16	84	2	98
PFWS (2009-2010)	43	57	11	89
PFWS (2010-2011)	36	64	1	99
PFWS (2011-2012)	13	87	4	96

Source: Compiled from information supplied by PFWS and PFES.



Addressing Economic Problems in Areas with Extractive Industries

- Reduce economic wastage (e.g. GATE)
- Strengthen the NBT Sector nationally via EODB and the GCR indices using CSR
- Too many workers employed in elementary occupations.
- Synthesis role of LED strategy
- Target the diaspora for development funds and the development of the SME sector
- E-Teck Park (Frederick Settlement Industrial Park, Endeavour Industrial Park, Factory Road Industrial Park, Preysal Industrial Park, Dow Village Industrial Park, Reform Village Industrial Park, Debe Industrial Park, Point Fortin Industrial Park)
- Microfinance is critical – Look at the bpTT example
- Explore intra Caricom market as they are our natural trading partner
- Reduce corruption
- Search for new markets