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## **Summary of Proceedings**

### **Public Hearing**

Held on **Wednesday November 17, 2021** from **10:17 a.m. to 12:30 p.m.**

**Subject matter:** An examination of unemployment during the Covid-19 pandemic and the State's capacity to provide support to persons who became unemployed as a result of the pandemic

**Venue:** Virtual via the Zoom platform

### **Committee Members**

The following Committee Members were present:

- Mr. Paul Richards
- Mr. Esmond Forde, MP
- Mr. Avinash Singh
- Mr. David Nakhid
- Ms. Penelope Beckles, MP

The following Committee Members were excused:

- Mr. Roger Munroe, MP
- Ms. Vandana Mohit, MP
- Mr. Rohan Sinanan

### **Witnesses who appeared**

The following officials of the **Ministry of Finance** appeared:

- Ms. Yvonne Neemacharan Deputy Permanent Secretary, Strategic Management Execution Office, (SMEO)
- Mr. Anthony Joseph Manager, Economic Management Division
- Mr. Calvin Maurice Chief Executive Officer, NEDCO



### **Challenges Experienced**

- iii. The major challenge experienced in Phase I of the Salary Relief Grant was that the application process was entirely manual. As such, there was a long processing time.
- iv. For Phase II, the Ministry utilised a completely online application system, which reduced the processing time.
- v. NEDCO also reported that processing time was slowed down due to technical issues.
- vi. There were several applications that did not meet the eligibility criteria.
- vii. Some of the reasons applications were denied included:
  - Duplicate applications
  - Applications from non-nationals
  - Incomplete applications
  - Applicants accessed relief funds from other Government services
- viii. The Ministry intends to complete the process of distributing outstanding cheques by the end of November and distributing funds via debit cards by the beginning of December

### **Data provided**

- ix. 7,045 Salary Relief Grant applicants were unsuccessful. One major reason given for these applications being denied was that the period of unemployment fell outside of the required period.
- x. The Criteria for funding from the Ministry of Finance were:
  - Date of unemployment between April 28 and May 31
  - National of Trinidad and Tobago
  - Not in receipt of any other grant funding

### **Additional Support Provided**

- xi. NEDCO provided skills training and mentorship for 2,500 people
- xii. The MoF reported that it operated a help line for applicants to call to follow-up on their applications

The following are the main issues arising from discussions with the **Ministry of Social Development and Family Services (MSDFS)**

### **Statistics on the processing of applications**

- i. In Phase I of its relief efforts, the MSDF approved 59,716 Income Support applications and rejected 4,940
- ii. In Phase II, 1,271 applications were approved while 5,472 were rejected
- iii. The majority of applicants were in the 31-45 age group
- iv. The MSDF reported that the majority of applicants were employed in construction, retail, roadside vending and restaurant services.

- v. Some of the major reasons for applications being rejected were as follows:
  - Applicants with NIS numbers were ineligible and therefore referred to the Ministry of Finance
  - Effective date of retrenchment was earlier than March 2020
  - Applicants were accessing funds from multiple sources
  - Incomplete applications
  - Applicants were non-nationals with no official status
- vi. In Phase I, 61% of applicants were male, 35% of applicants were female and 4% did not specify their gender.
- vii. In Phase II, 45% of applicants were female and 51% of applicants were male

### **Processing of Applications**

- viii. The MSDF provided the following types of assistance:
  - Income Support
  - Food Support
  - Rental Grant
- ix. 15 media releases were published to provide information on the application process
- x. A call centre was set up to provide information about applications and was also utilised to inform applicants when their cheques were ready
- xi. The MSDFS was overwhelmed by the volume of applications and therefore received assistance of external validators
- xii. The National Insurance Board and First Citizens Bank assisted with printing cheques
- xiii. Cheques were distributed via TTPost. However, not all cheques were delivered as the addresses provided were no longer valid
- xiv. The MSDF placed announcements in the major local newspapers regarding cheques that were undelivered. Of the 576 cheques in question, 265 applicants responded to the announcement and were able to have their cheques re-printed.
- xv. Banks have returned funds distributed through the Automatic Clearing House (ACH) system due to accounts listed by applicants being closed.

The following are the main issues arising from discussions with the **Tobago House of Assembly: Division of Community Development and Enterprise Development:**

### **Situational Analysis of Unemployment Support in Tobago**

- i. The Division has not been able to capture data on under-employment in Tobago.
- ii. The sectors most affected by unemployment in Tobago due to the Covid-19 pandemic are the hospitality sector and the construction sector.
- iii. The Department of Community Development has provided skills re-training for individuals affected by unemployment due to the pandemic.

- iv. The Department of Labour has partnered with the Ministry of Labour to assist retrenched individuals with the job search process.
- v. The Division assisted affected businesses and disbursed approximately 293 Covid business grants, 28 tourism grants, 6 Covid loans and 30 non-Covid grants.
- vi. Tourism grants were given to businesses within the tourism industry and amounted to a total disbursement of \$1,088,645.57
- vii. Individual applicants were referred to the Ministry of Social Development and Family Services.

The following are the main issues arising from discussions with the **Ministry of Labour**:

**Statistics provided**

- i. Based on information gathered from the Central Statistical Office, the Ministry of Labour indicated that there was a net reduction of 11,700 in the number of people with jobs in the second quarter of 2020 compared to the corresponding period in 2019. The Ministry provided the following key observations for that period:
  - There were job gains for approximately 60,000-70,000 people.
  - The major job gains were experienced in the Agriculture sector (increase of 8,800 workers), the Petroleum sector (increase of 4,300 workers) and the Financing and Insurance sector (increase of 5,000 workers).
  - The sectors most affected by job losses are as follows
    - a) Manufacturing (reduction of 16,700 workers or 37.7%)
    - b) Construction (reduction of 12,100 workers or 15.9%)
    - c) Community and Personnel Services (reduction of 4,700 workers or 2.2%)
    - d) Wholesale and Retail (reduction of 10,600 workers or 10.1%)

**Labour Disputes and other Industrial Relations matters**

- ii. The Conciliation Advisory and Advocacy Division of the Ministry has been active in providing information to the public about rights and responsibilities of employers and employees.
- iii. The Ministry of Labour informed the Committee that Compliance Officers with the National Insurance Board (NIB) hold the responsibility of investigating complaints of employers not making NIS contributions on behalf of employees.
- iv. Employees can lodge complaints with the Labour Inspectorate Unit of the Ministry of Labour if they are not receiving benefits they are entitled to. The Unit provides guidance to employees and also contacts employers regarding complaints when required.
- v. The current Retrenchment and Severance Benefits Act contains provisions for reporting retrenchment of 5 or more employments to the Ministry of Labour. However, during the

pandemic, the Ministry issued a public advisory that regardless of size, all retrenchments should be reported to the Ministry.

- vi. The Ministry of Labour utilised digital platforms to engage the public with regard to the process of lodging industrial relations complaints.

This public hearing can be viewed on demand via our YouTube Channel.

<https://www.youtube.com/watch?v=tIGtHG9UTOU&t=18s>

**Contact the Committee's Secretary**

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*Committees Unit*

*December 07, 2021.*