

Chairperson
Minimum Wages Board
c/o Petrotrin Trinmar Operation
P.O. Box 3941
Point Fortin

February 21, 2014

Mr. Carl Francis
Permanent Secretary,
Ministry of Labour and
Small and Micro Enterprise Development
International Waterfront Centre
Level 6, Tower C
Port of Spain

Dear Mr. Francis,

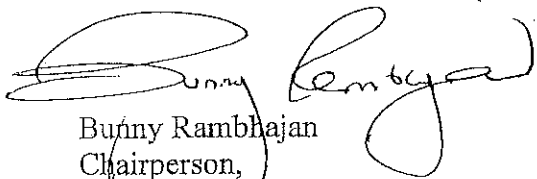
**Re: Submission of Annual Administrative Report under Section 66D of the
Constitution of the Republic of Trinidad and Tobago**

I refer to letter dated December 10, 2013 on the above captioned.

In keeping with the provisions of Sections 66D and 66A (ii) of the Constitution of the Republic of Trinidad and Tobago, I hereby submit the Administrative Report for the Minimum Wages Board for the period October 1, 2012 to September 30, 2013

Please feel free to contact me should you require any further information or clarification.

Yours respectfully,



Sunny Rambhajan
Chairperson,
Minimum Wages Board

MINIMUM WAGES BOARD

ADMINISTRATIVE REPORT

For fiscal period

October 1, 2012

to

September 30, 2013



The Minimum Wages Board Administrative Report

for the fiscal year October 1, 2012 to September 30, 2013

1.0 Philosophy

This report is submitted in accordance with the provisions of section 66D of the Constitution of the Republic of Trinidad and Tobago namely, an entity mentioned in section 66A (ii) is mandated to submit to the President of the Republic of Trinidad and Tobago each year “*a report on the exercise of the function and powers, in the previous year, describing the procedures followed and any criteria adopted by it in connection therewith*”.

2.0 Reporting Period

This Report covers the period October 1, 2012 to September 30, 2013.

3.0 Structure

Legislative Framework

The Minimum Wages Act Chapter 88:04 provides for the establishment of a Minimum Wages Board. Section 5 of the Act provides for the Minister (with responsibility for labour) to appoint a seven-member Board including:

- (a) one (1) member nominated by the associations most representative of employers;
- (b) one (1) member nominated by the associations most representative of labour; and
- (c) one (1) Government representative.

Section 10 of the Act also provides for the “Minister to assign officers of his Ministry a secretary and such other staff as may be required for the Board to perform its functions efficiently”.

3.1 Terms of Reference

The Board acts in an advisory capacity to the Minister with respect to minimum wages in accordance with the Minimum Wages Act. Details on the roles and functions of the Board are attached.

3.2 Appointment of the Minimum Wages Board

Cabinet by Minute No. 667 of March 17th 2011 agreed, in accordance with the provisions of sections 4, 5, and 7 of the Minimum Wages Act, Chap. 88:04, to the appointment of the under-

mentioned persons as members of the Minimum Wages Board for a period of three (3) years with effect from the date of their letters of appointment:

- Ms. Bunny Rambhajan - Chairman
Senior Human Resource Analyst
Petrotrin
- Mr. Hayden Manzano - Member
Representative of Government
Ministry of Finance
- Ms. Stephanie Fingal - Member
Representative of Employers'
Consultative Association of Trinidad and Tobago (ECA)
- Ms. Cindy Joseph-Lewis - Member
Tobago House of Assembly
(Labour Relations Officer)
- Ms. Ida Le Blanc - Member
Representative of Civil Society
- Mr. Ozzi Warwick - Member
Representative of Workers
The Federation of Independent Trade Unions (FITUN) and
Non Governmental Organizations (NGOs)
- Ms. Reshma Goolcharan - Member
Representative of Civil Society -
Non Governmental Organization

Subsequently, Cabinet Minute No. 2128 dated August 18th 2011 noted the resignation of Ms. Stephanie Fingal (resignation letter dated June 22, 2011) - representative of Employers' Consultative Association (ECA) - and agreed to the appointment of Mr. Bryan Rooplal as representative of Employers' Consultative Association (ECA). Mr. Rooplal received his instrument of appointment on September 9th 2011.

3.4 Fees and Allowances

With effect from June 1, 2008 the Chairman and members of the Board receive fees and allowances in keeping with the Ministry of Finance's memorandum F (I): 2/1/1 dated July 31st 2008. The Board is classified under group B.

3.5 Income and Expenditure

The Board receives no income and does not have a budgetary line item allocated to it. As a consequence, all accounting matters fall within the purview of the Ministry of Labour and Small and Micro Enterprise Development's (MOLSMED's) Permanent Secretary. The outputs from the Board take the form of reports and recommendations. The line Ministry is responsible for all financial reports and statements.

~~Under the Public Sector Investment Programme, an allocation of \$800,000.00 was granted to conduct a consultancy for the *Determination of the Minimum Wage Level and Assessment of its Impact on the Economy of Trinidad and Tobago*. This project is under the purview of the MOLSMED in collaboration of the Board. However, due to the inability to finalise the Terms of Reference for the Consultancy, the project was not implemented during this financial year. Hence no funds were spent in this regard.~~

4.0 Operations/Reports

The Board meets on a monthly basis. However, because of the nature of its work, and in order to meet with external stakeholders, the Board, at times, is required to meet more frequently. The Board has support of the MOLSMED, including Secretarial, Research and Planning, and Labour Inspectorate. The Board has met with the Minister of Labour and Small and Micro Enterprise Development and has provided regular progress reports. The underlying philosophy of the Board is consensual decision making and consensus building, an approach which has been successful thus far. Participation and attendance have also been commendable.

5.0 Policies and Development Initiatives (October 1, 2012 to September 30, 2013)

5.1 Objectives

For the period October 1, 2012 to September 30, 2013, under the guidance of the Honourable Minister, the Board determined that its work programme would include:

- Examine, review and amend the National Minimum Wages Order 2010;
- Support the implementation of a Public Awareness Programme conducted by the Ministry of Labour and Small and Micro Enterprise Development, to educate and provide awareness to workers and employers on all aspects of the rights of workers and terms and conditions of work with regards to the minimum wage;
- Review the Terms of Reference for the procurement of a Consultancy regarding the *Determination of the Minimum Wage Level and Assessment of its Impact on the Economy of Trinidad and Tobago*;

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- Research and consider the introduction of a sectoral minimum wage for the agricultural sector;
 - Review the Catering Industry Order and the Petrol Filling Station Order.

5.2 Accomplishments

The Minimum Wages Board achieved a number of significant milestones during the October 1, 2012 to September 30, 2013 performance-period:

- 1) Reviewed and submitted the recommended amendments to the National Minimum Wages Order 2010 to the Honourable Minister of Labour and Small and Micro Enterprise Development in February 2013;
- 2) Provided support to the communication initiatives of the Ministry of Labour and Small and Micro Enterprise Development to educate and provide awareness to workers and employers on all aspects of the rights of workers and terms and conditions of work with regards to the minimum wage;
- 3) Revisited and resubmitted the Terms of Reference for the procurement of a Consultancy regarding the *Determination of the Minimum Wage Level and Assessment of its Impact on the Economy of Trinidad and Tobago* to the Ministry of Labour and Small and Micro Enterprise Development in June, 2013;
- 4) Conducted exploratory meetings with the Central Statistical Office and the Ministry of Food Production Land and Marine Resources;
- 5) Reviewed the Catering Industry Order and the Petrol Filling Station Order;
- 6) Consulted with representatives of the Tobago House of Assembly on aspects of the minimum wage and employment conditions in Tobago; and
- 7) Commenced a comprehensive review of the existing national minimum wage rate with a view to submitting a recommendation to the Honourable Minister pursuant to Sections 6 and 13 of the Minimum Wages Act Chapter 88:04. This review will entail an analysis of the existing macro-economic indicators inclusive of real wages, index of retail prices, employment, productivity and the effect of minimum wage and inflation. This review commenced notwithstanding the non-engagement of a consultancy to undertake research into the *Determination of the Minimum Wage Level and Assessment of its Impact on the Economy of Trinidad and Tobago*.

5.3 Short, Medium and Long-term Plans October 1, 2013 to April 11, 2014

The Board is working towards the achievement of the following objectives during the performance-period of October 1, 2013 to April 11, 2014:

- Complete the review and analysis of the existing national minimum wage rate with a view to submitting a recommendation to the Honourable Minister of Labour and Small and Micro-Enterprise Development;
- Continued review of the Minimum Wages (Shop Assistants) Order, 1991 and the Minimum Wages (Catering Industry) Order, 1991;
- Support the Ministry in the process to engage consultancy services to commence the research into the *Determination of the Minimum Wage Level and Assessment of its Impact on the Economy of Trinidad and Tobago*;
- Consult further with appropriate agencies for information gathering and analysis to determine the need for the development of a Minimum Wage Sectoral Order for employees in the Agricultural Sector; and
- Completion and submission of the Administrative Report for October 1, 2012 to September 30, 2013.

The Minimum Wages Board**The Board shall have the following responsibilities:**

1. The Board shall advise and make recommendations to the Minister on all matters relating to the fixing of minimum wages and terms and conditions of service.
2. Where in the opinion of the Minister, it is necessary to fix or vary a minimum wage or terms and conditions of service for any workers, either because:
 - ~~(a) there is no machinery for the effective regulation of the remuneration or terms and conditions of service for such workers; or~~
 - (b) the existing machinery is not adequate or is likely to cease to be adequate for that purpose.

He shall refer the matter to the Board for their recommendation and advice.
3.
 - (a) Upon referral by the Minister the Board shall determine whether there exists any or adequate machinery for the regulation of the remuneration or terms and conditions of service of the workers in respect of whom the referral was made or any of them
 - (b) Where it is determined that regulatory machinery does exist, the Board shall examine the adequacy of that machinery and report thereon to the Minister. There shall be included in the report such recommendations as the Board may think fit for improving the efficiency of the machinery.
 - (c) Where, in the opinion of the Board, there are among the workers in respect of whom the referral was made, some whose case should be dealt with separately either on the ground that there exists regulatory machinery in respect of some of the workers and not others; or that the nature of hours of employment of some workers differs from that of others or for any other reason, the Board shall so advise the Minister.
4. Where having considered a referral by the Minister, the Board is of the opinion that the Minister should fix a minimum wage or other terms and conditions of service in respect of the workers in respect of whom the referral was made or any of them, the Board shall so recommend and shall include in the recommendation:
 - (a) A proposed minimum wage;
 - (b) terms related to paid holiday and sick leave and;
 - (c) such other basic conditions, including danger money, dirt money, on-call or stand -by money as the nature of the case may be.
5. In recommending a proposed minimum wage or terms and conditions of service, the Board shall consider -
 - (a) the general level of wages in Trinidad and Tobago;
 - (b) cost of living;
 - (c) contributions payable and benefits provided under the system of national insurance established by the National Insurance Act; and
 - (d) other economic factors, including requirements of economic development, levels of productivity and the desirability of attaining and maintaining high levels of employment.
6. The Minister may accept the recommendation or advice of the Board either fully or he may reject it.

