

■ Natural gas price increase...

## Chamber calls for phased approach

THE Trinidad and Tobago Chamber of Industry and Commerce (T&T Chamber) has raised concerns about the recent 77% increase in natural gas rates implemented by the National Gas Company of Trinidad and Tobago (NGC), warning of significant implications for business operations, competitiveness, and employment.

In a statement issued yesterday, the T&T Chamber said it is actively gathering data from its members to assess the full impact of the increase on operating costs and broader economic fallout.

'Based on initial feedback from our members on the magnitude of the consequential increased cost of business operations arising from the 77% increase in gas rates, we are gathering data from our members on the actual increases in business costs and other fallout effects,' the chamber stated.

The organisation acknowledged that manufacturers have historically benefited from natural gas pricing arrangements designed to support economic diversification, alongside subsidies for electricity and water. According to the chamber, these measures remain critical to maintaining business competitiveness locally, regionally, and internationally.

'These arrangements underscore the reality of business operations in Trinidad and Tobago and would remain critical under the country's Revitalization Vision for economic growth and further diversification, which calls on public-private partnership as part of the stimulus to make it a reality,' the statement said. While recognising the country's broader structural adjustment challenges within a historically subsidised economy, the T&T Chamber cautioned that reform must be managed carefully.

'The T&T Chamber fully recognises that reform is necessary. However, any recalibration of energy and utility pricing should be approached holistically, transparently, and through national dialogue, with the clear objective of ensuring that economic returns ultimately rebound to the benefit of all citizens, while safeguarding competitiveness, employment, and export-led growth.'

The chamber noted that local manufacturers account for about 1.5% of NGC's total gas production, while employing thousands of people and contributing significantly to the national economy.

'We understand the Government's need to increase its revenue base but it must be taken into consideration the impact that a natural gas price increase will have on the end consumer in terms of increased pricing and the competitiveness of our products for export,' the T&T Chamber stated.

It also called on the State to improve efficiency within public sector institutions.

'The T&T Chamber also expects that Government will look to increase the productivity and efficiency of local government and State enterprises so that additional revenues that accrue to the State from measures such as the natural gas price increase will not go towards supporting inefficient State and local government agencies.'

As part of a coordinated policy response, the chamber proposed several measures, including tiered natural gas pricing based on consumption levels and industry classification, progressive metering for electricity and water, and a phased, rulesbased approach to subsidy adjustment aligned with market conditions.

'These measures also allow businesses to plan for the future, which is an important consideration when making investment decisions,' the statement noted.

The T&T Chamber said it remained committed to engagement with stakeholders to arrive at balanced, evidence-based solutions.

'The T&T Chamber remains open to continuous dialogue with all key stakeholders and is committed to working towards finding a measurable solution that will result in the least economic strain on the national economy and business community.'

It added that discussions are ongoing with members, the Government, and other stakeholders.

'We acknowledge that change is necessary, and we remain committed to ensuring that any measure adopted safeguards the best interests of our members, who are mainly SMEs (small and medium enterprises) and the wider national community. Measurable solutions that will result in the least economic strain on the population are what we hope can be achieved.'