

National Budget 2013-2014

The Association of Trinidad and Tobago Insurance Companies (ATTIC) fully supports the Government on the establishment of the Motor Vehicle Accident Fund (MVAf) using the 6% tax on Insurance Premiums. ATTIC has lobbied for many years for victims of collisions to be compensated if a negligent motorist is not covered by insurance and we are pleased that the Honourable Minister of Finance Senator Larry Howai, in his budget presentation indicated that the fund will commence in January 2014.

ATTIC would like to point out that there are several factors which will impact on the successful implementation of the fund. These include:-

- Formal commitment from the Ministry of Finance to take responsibility for funding and specific administrative responsibility for the MVAf.
- Recruitment of a Chairman and Board members with relevant industry experience
- Interaction with other Government agencies with a view to ensuring increased compliance with the traffic laws and strengthening the legislative infrastructure
- Comprehensive public education program – operation and rules of the MVAf
- Commitment from all stakeholders to actively support the scheme.

As a pre-requisite the MVAf can only operate successfully if there is enhanced enforcement of the driving and traffic laws of Trinidad and Tobago and owners of uninsured vehicles are prosecuted. Heightened surveillance should be put in place to detect driving negligence, which includes additional Police presence on the nation's roads and the use of traffic cameras.

ATTIC is also heartened that the Government intends to treat head-on with our increasing crime rate particularly by improving legislation to address a number of areas such as gang-related crime and human trafficking; we however believe that there must be increased resources to deal with fraud. Insurers find little action being taken regarding matters reported by them, including matters regarding auto theft and arson.

In the last five years, claims submitted to ATTIC members for losses from floods grew from one-off events to TT\$ 72 million in flood losses over the period 2006 – 2012. The Association has for many years lobbied various Governments to implement effective flood prevention and environmental protection measures. We therefore fully support the Government increasing the fines for littering. However we also continue to urge the Government to adopt the following measures:-

- Zero tolerance of all squatting on hillsides – whether on private or publicly owned land. Many fires are set by squatters seeking to extend their landholding. This will be impossible to monitor or control unless zero tolerance of hillside squatting is enforced.
- Use labour from CEPEP to supplement the efforts of the Forestry Division in building check dams and in reforestation efforts.
- Pass legislation to protect watersheds.

ATTIC is generally pleased with the budget; however we would like to echo the sentiments of many trade associations by encouraging the Government to measure its performance against the stated objectives of the previous budget. This way the country can assess not only the Government's performance but the progress of the initiatives listed in the budget.