



REPUBLIC OF TRINIDAD AND TOBAGO

Debates of the House of Representatives

1st Session – 11th Parliament (Rep.) – Volume 4 – Number 25

**OFFICIAL REPORT
(HANSARD)**

THE HONOURABLE BRIDGID ANNISSETTE-GEORGE
SPEAKER

THE HONOURABLE ESMOND FORDE
DEPUTY SPEAKER

Friday 8th April, 2016

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CONTENTS

	Page
LEAVE OF ABSENCE	63
PAPERS LAID	63
STANDING FINANCE COMMITTEE REPORT (Presentation)	
[<i>Hon. C. Imbert</i>]	64
PRIME MINISTER'S QUESTIONS	
Payment to Cane Farmers	64
T&T Nationals Fighting With ISIS (Steps Taken by Government)... ..	65
Illegal Immigrant Workers (Government Plans to Deal with)	66
Foreign Exchange Inflows (Mechanisms to Increase)	66
Purchase of New Vehicle (Reason For)	67
Loan Guarantee to Grand Bay Limited (Policy used)	69
Resignation of Former Chairman, CNMG (Reasons for)	70
Increase of Overall Market Efficiency (Government Plans)	71
Expansion of Small and Medium Sized Businesses (Government's Plan)	71
Country's Reliance on Food Imports (Measures of)	72
Murder Detection Rate (Steps taken)	73
Murder Detection Rate (Details of)	73
State Enterprises or Statutory Bodies (Audits Conducted)	75
EXPIRATION OF PRIME MINISTER'S QUESTION TIME	76
PRIME MINISTER'S QUESTIONS	
Government's Granting of Scholarships (Details of)	76

Foreign Exchange Reserves (Central Bank Details)	77
Foreign Exchange Reserves (Possible Implications of Limitation)	79
URGENT QUESTIONS	
Injuries by Bush Fires (Steps taken to Protect Personnel)	81
ArcelorMittal Workers (Payment of Pensions)	81
Overcrowding at the Prisons (Ministry's Plans to Handle)	83
Zika Virus in Trinidad and Tobago (Steps being taken)	83
FINANCE (VARIATION OF APPROPRIATION) FINANCIAL YEAR 2016) BILL, 2016 [<i>Hon. C. Imbert</i>]	
First Reading... ..	85
Second Reading	277
Third Reading... ..	278
SUSPENSION OF STANDING ORDER 45(1) [<i>Hon. C. Imbert</i>]	
STANDING FINANCE COMMITTEE REPORT (Adoption) [<i>Hon. C. Imbert</i>]	
PROCEDURAL MOTION [<i>Hon. C. Imbert</i>]	
ADJOURNMENT [<i>Hon. C. Imbert</i>]	

HOUSE OF REPRESENTATIVES*Friday, April 08, 2016*

The House met at 1.30 p.m.

PRAYERS[MADAM SPEAKER *in the Chair*]**LEAVE OF ABSENCE**

Madam Speaker: Hon. Members, I have received communication from the following Members: Dr. Fuad Khan, MP, Member for Barataria/San Juan has requested leave of absence from sittings of the House during the period April 04 to April 12, 2016. The Hon. Maj. Gen. Edmund Dillon, MP, Member for Point Fortin has requested leave of absence from sittings of the House during the period April 04 to April 11, 2016. The hon. Camille Robinson-Regis, MP, Member for Arouca/Maloney, has requested leave of absence from sittings of the House during the period April 07 to April 14, 2014. The hon. Anthony Garcia, MP, Member for Arima, has requested leave of absence from today's sitting of the House. The leave which the Members seek is granted.

PAPERS LAID

1. Audited Financial Statement of the Sports Company of Trinidad and Tobago Limited for the financial year ended September 30, 2014. [*The Minister of Finance (Hon. Colm Imbert)*]
2. Audited Financial Statement of the Sports Company of Trinidad and Tobago Limited for the financial year ended September 30, 2015. [*Hon. C. Imbert*]
Papers 1 and 2 to be referred to the Public Accounts (Enterprises) Committee.
3. Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the Institute of Marine Affairs for the year ended September 30, 2008. [*Hon. C. Imbert*]
4. Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the Institute of Marine Affairs for the year ended September 30, 2009. [*Hon. C. Imbert*]
5. Annual Report and Audited Financial Statements of the Trinidad and Tobago Securities and Exchange Commission for the year ended September 30, 2015. [*Hon. C. Imbert*]

Papers 3 to 5 to be referred to the Public Accounts Committee.

6. Administrative Report of the Princes Town Regional Corporation for the period 2011 to 2012. [*Hon. C. Imbert*]
7. Administrative Report of the Princes Town Regional Corporation for the period 2012 to 2013. [*Hon. C. Imbert*]
8. Administrative Report of the Ministry of the Arts and Multiculturalism for the period October 01, 2012 to September 30, 2013. [*The Minister of Community Development, Culture and the Arts (Hon. Dr. Nyan Gadsby-Dolly)*]
9. Trinidad And Tobago Housing Development Corporation (Vesting) (Amendment to the First Schedule) (No. 2) Order, 2016. [*The Minister of Housing and Urban Development (Hon. Randall Mitchell)*]

STANDING FINANCE COMMITTEE REPORT

(Presentation)

The Minister of Finance (Hon. Colm Imbert): Madam Speaker, I wish to present the following report:

The Second Report of the Standing Finance Committee of the House of Representatives for the First Session (2015/2016), Eleventh Parliament on the consideration of proposals for the Variation of Appropriation for the fiscal year 2016.

PRIME MINISTER'S QUESTIONS

Payment to Cane Farmers

Dr. Bhoendradatt Tewarie (Caroni Central): Madam Speaker, thank you very much. In light of the receipt of funds from the European Union to pay for cane farmers, could the Prime Minister indicate when will the cane farmers receive the balance of their payments?

The Prime Minister (Hon. Dr. Keith Rowley): Madam Speaker, it is clear that the Member for Caroni Central is not prepared to listen to the facts from the Ministry of Finance. This matter has been addressed by the authority on Government's receipts, and that is the Minister of Finance, and the Minister of Finance, in response to the Member for Caroni East has told the country that we have received no such funds. As of this moment speaking to you, the situation remains the same. No funds, as implied or stated by the Member for Caroni Central has been received with respect to this matter of moneys for cane farmers from the EU.

Dr. Tewarie: I think, with the best of intentions on the part of the Prime Minister, that the Prime Minister is misinformed on this matter—

Madam Speaker: Member, might I ask, this is a supplemental question?

Dr. Tewarie: Yes, and therefore I would take the Prime Minister's answer as one—

Madam Speaker: Member, is this a question? You are allowed a question and not a statement.

Dr. Tewarie: Well, I do not want to say that the Prime Minister is wrong.

Madam Speaker: So is it a question?

Dr. Tewarie: I just want to know the date on which the farmers will be paid, or whether it is the Government's intention to pay.

Hon. Dr. K. Rowley: Madam Speaker, I have to rely on the authorities in the Ministry of Finance and I am sitting next to the Minister of Finance. However, the matter can be looked into in the event that since I had been spoken to, if the matter has been sent anywhere in the Government. I am not now in possession of any information that moneys have been received by the Government on this matter. If the money has been sent and it is not yet known to me or the Minister of Finance, I do not know. The matter can be looked into.

T&T Nationals Fighting With ISIS (Steps Taken by Government)

Mrs. Vidia Gayadeen-Gopeesingh (*Oropouche West*): Thank you, Madam Speaker. Could the Prime Minister, as head of the National Security Council, advise what steps have been taken by the Government to treat with the possible and/or eventual return of T&T nationals fighting with ISIS?

The Prime Minister (Hon. Dr. Keith Rowley): With respect to this development of nationals going abroad and taking part in hostile actions, it requires some legislative adjustments so as to allow us to be able to treat with the overall situation. However, what I can say is that we are aware that a small number of persons have been to these areas and have returned to Trinidad and Tobago, and without going into too much details, I can give the assurance that to the extent that we know who these persons are, the relevant level of surveillance has been attached to their presence, and because we cannot deny them access to their home country, we will have to treat them as a security concern which exists around them.

**Illegal Immigrant Workers
(Government Plans to Deal with)**

Mr. Ganga Singh (*Chaguanas West*): Thank you, Madam Speaker. Could the Prime Minister state his Government's plan to deal with illegal immigrant workers in this country?

The Prime Minister (Hon. Dr. Keith Rowley): Well, there are laws relating to illegal immigrants and it is the Government's intention to ensure that those laws are enforced and that to the extent that there are any illegal immigrants from Caricom or anywhere else, that they be treated in a humane manner under the context of our laws.

**Foreign Exchange Inflows
(Mechanisms to Increase)**

Mr. Rodney Charles (*Naparima*): Thank you very much. Is the Government considering any mechanisms to increase our foreign exchange inflows, and if so, what?

The Prime Minister (Hon. Dr. Keith Rowley): There are a number of initiatives and the main one is to encourage our private and State sectors to earn as much foreign exchange as possible because we recognize that the earning of foreign exchange is now a very high priority, and overall, with respect to the country's ability to earn foreign exchange going forward, we are taking a number of steps to expand our capacity in the tourism sector and to expand our capacity in the industrial sector by pursuing initiatives to give us additional capacity and infrastructure in tourism and in industrial development.

Dr. Rambachan: Is the Prime Minister aware that in dealing with foreign exchange you have inflows and outflows. Is there any area that the Government is considering where they might be controlling the amount of outflows in terms of foreign exchange so as to save foreign exchange and boost their levels?

Hon. Dr. K. Rowley: Well, I think the Minister of Finance, from time to time, has been addressing that issue, and today you will hear a bit more on that.

Dr. Gopeesingh: Would the hon. Prime Minister indicate whether in terms of the foreign exchange inflow, are there any new developments for foreign direct investment which will result in cash inflows coming in—foreign exchange inflows? Are there any on the horizon, or are there any now, for foreign direct investment?

Hon. Dr. K. Rowley: There is one particular project which has attracted our attention for quite some time and we are just about at the stage of closure to initiate the coming of a major methanol plant, and that would be a foreign exchange initiative, and we are also taking some significant steps in the tourism area.

Mr. Charles: Could the Prime Minister indicate whether any targets have been set with respect to the areas that we intend to get into to diversify our foreign exchange earning capacity?

Hon. Dr. K. Rowley: We have been focusing specifically on tourism and industrial development.

Purchase of New Vehicle (Reason For)

Dr. Surujrattan Rambachan (Tabaquite): Thank you, Madam Speaker. Hon. Prime Minister, do you agree that it would have been more prudent for the Office of the Prime Minister to defer the purchase of a new official vehicle for the Prime Minister, valued at approximately TT \$2 million, given the present state of the economy?

The Prime Minister (Hon. Dr. Keith Rowley): Well, I think it was very prudent to have bought a vehicle for \$900,000 and not \$2 million. The purchase price as paid by the Office of the Prime Minister is \$900,000 and not \$2 million, to start with that. And secondly, that purchase was in the pipeline and it was required to replace a vehicle that was nine years old and that was in line to consume significant sums in maintenance, while affecting its availability, and I had been advised subsequently that it also had security issues.

However, why it has been prudent is because we have set about in the Office of the Prime Minister to make significant savings in other areas. For example, in the Office of the Prime Minister spending, we would have done a Divali dinner for \$538,000. The last Divali dinner before that was \$1.3 million. A Republic Day celebration, we did not have that; one was done for \$1.2 million. A residence staff—a staff lunch—a staff dinner—was \$1 million. We did not have one. A Christmas concert for religious heads, we forego that, when the previous year you had one for \$1.5 million. A children's Christmas party, we had one for \$400,000; you had one for \$1 million. A dinner—[*Interruption*—I am talking about prudence, and this is how we are being prudent, which allows us to be able to buy a motor vehicle. [*Desk thumping*]

1.45 p.m.

We had a children's Christmas party at the Prime Minister's Office. That cost \$452,000. Before, the previous Christmas party was \$1,095,000; we had a Shouter Baptist function, it cost us \$257,000. Previously, it cost \$938,000; and we do not intend as we celebrate Eid and Emancipation to spend \$1,120,000 on food.

Madam Speaker: Prime Minister, your speaking time has expired. [*Desk thumping*] Member for Oropouche East.

Dr. Moonilal: Thank you very much, Madam Speaker. Could I ask the Prime Minister, given his response—I am trying hard to follow this donkey logic—but had those functions been cheaper, the Prime Minister would not have bought a new car? If those functions were cheaper you would not have purchased a new car. Is that what you are saying with that donkey logic that you outlined?

Madam Speaker: Members, if there is a point of order, then I will ask Members to follow the proper procedure and decorum.

Mr. Young: Madam Speaker, Standing Order 48(4), offensive and insulting language.

Madam Speaker: Member, I overrule the point. I will ask the Prime Minister to please answer.

Hon. Dr. K. Rowley: Madam Speaker, my answer was in the context of prudence on what taxpayers' money was spent on. [*Desk thumping*] We have been extremely prudent with spending taxpayers' money and to the extent that we done that, we have had considerable savings of millions of dollars at the—[*Desk thumping*]—and that is why there was no problem with the replacement of a nine-year-old vehicle.

For example, Madam Speaker, to demonstrate the prudence, in the period October 2015 to March 2016 overseas travel at the Office of the Prime Minister is \$850,000, which is two-thirds of the normal figure. In the previous periods the figures were \$1.6 million, \$1.1 million, \$5 million, \$1.2 million, \$2.3 million, \$1.2 million. In this Government, the figure is \$850,000. [*Desk thumping*]

Mrs. Newallo-Hosein: Thank you, hon. Speaker. Could the hon. Prime Minister explain if the luxury purchase of a vehicle takes precedent over people-centred development?

Hon Member: Precedence.

Hon. Dr. K. Rowley: I do not see the connection. You can have people-centred development and you can buy a car. [*Desk thumping*]

Mr. Charles: Could the Prime Minister tell this honourable House if the \$900,000 excludes a value added tax and customs that are normally borne by hard-working citizens of the country?

Hon. Dr. K. Rowley: Madam Speaker, the vehicle is not my vehicle, eh. It is a Government vehicle and Government does not charge itself VAT or tax.

Mr. Charles: Would the Prime Minister give us an estimate of how much it would have cost the average citizen so we could make a fair judgment as to the extent of the luxury by the Government?

Hon. Dr. K. Rowley: Madam Speaker, a tax free vehicle of that nature would carry taxes. I do not have that information on me at the moment. However, what I do know is that if that vehicle was purchased by a member of the public, it would have attracted customs duty, motor vehicle tax and VAT.

Loan Guarantee to Grand Bay Limited (Policy used)

Dr. Roodal Moonilal (*Oropouche East*): Thank you very much, Madam Speaker. Could the Prime Minister advise what is the policy used to enable his administration to guarantee Grand Bay Limited, a private company, access to a \$30 million loan support?

The Prime Minister (Hon. Dr. Keith Rowley): Madam Speaker, I would like the Member to note that Eximbank is a state enterprise and, as such, can benefit from Government guarantees. That is the first thing. It is a state enterprise and can benefit from Government guarantees. In this instance, the Government has been requested to guarantee a \$5 million US loan to Exim Bank and not to Grand Bay.

Secondly, the purpose of the guarantee for this loan is for Eximbank, the government-owned bank, to unlend to Grand Bay for working capital purposes, and in the process, simultaneously, saving approximately 400 jobs. [*Desk thumping*]

Dr. Moonilal: Thank you very much, Madam Speaker. Is the Prime Minister saying that the Eximbank, a Government operation, can now give loans' support to private companies? And I want to ask the Prime Minister: is this facility available to any other local firms facing similar financial difficulties; and dismissal of workers, is this facility also available?

Hon. Dr. K. Rowley: Madam Speaker, I am amazed that an experienced Member of Parliament could tell me that he does not know that that is exactly what Eximbank is about. [*Desk thumping*]

Mrs. Persad-Bissessar SC: Thank you. Is the hon. Prime Minister aware that the indebtedness of this Grand Bay Limited as shown in the last return was US \$54 million? The existing liability—in other words, are you aware that they are owing US \$54 million?

Hon. Dr. K. Rowley: I cannot understand the context, but I would say I am not aware of that, but the Eximbank in taking a decision to unlend would have taken all that into account.

Mr. Singh: Thank you, Madam Speaker. To the hon. Prime Minister: what happens if Grand Bay Limited defaults on the loan given to it by Eximbank for this sum of \$30 million? Would the Government guarantee—would the Government have to take the hock?

Hon. Dr. K. Rowley: When a guarantee is given in the event that it is defaulted, there are standard practices to be followed. The Government's decision in intervening in this case—in the current climate of job losses, the Government supports Eximbank on a case being made to support the company to continue producing so as to save 400 jobs and to prevent us from having to import what the company produces.

Dr. Rambachan: Mr. Prime Minister, would you now say that as a result of this decision that this is now Government policy as to how it is going to deal with other companies like this?

Hon. Dr. K. Rowley: I expect that the Eximbank and whoever else is making the decisions on these matters will deal with them on a case by case basis. It is not every day that we are faced with the loss of 400 jobs, and there is something that we can do to prevent it. In this case, we have done something to prevent the loss of 400 jobs and I think the Government should be commended for that. [*Desk thumping*]

Resignation of Former Chairman, CNMG (Reasons for)

Dr. Roodal Moonilal (*Oropouche East*): Thank you very much. Madam Speaker, could the Prime Minister give the reasons for the abrupt and unexplained recent resignation of the former Chairman of state-owned CNMG?

The Prime Minister (Hon. Dr. Keith Rowley): The only reason I am aware of and I do not know that it was abrupt, and it is that the reason was personal to the chairman.

**Increase of Overall Market Efficiency
(Government Plans)**

Mr. David Lee (*Pointe-a-Pierre*): Could the hon. Prime Minister state whether his Government has any plans to decrease the overall cost of doing business in order to increase overall market efficiency in Trinidad and Tobago; and if so, provide a brief explanation?

The Prime Minister (Hon. Dr. Keith Rowley): We have lots of plans for increasing our ability to do business, and starting with ensuring that the public service arrangements are daily and consistently improving their efficiencies, we are attempting to eliminate corruption, waste and mismanagement, and we are investing very heavily in training our human capital, and all of these things together will put us into a position to be better in conducting business as you implied.

Mrs. Newallo-Hosein: Thank you, hon. Speaker. Could the hon. Prime Minister indicate how does he intend to increase efficiencies in the public service as identified?

Hon. Dr. K. Rowley: Ensuring that the public service structures are properly populated by persons who are competent, that they are trained, and as they access positions in the public service that they are placed based on their competencies that will remove bottlenecks, and that we ensure that there are proper institutional arrangements to ensure that the public service is a support and not an impediment to good order.

Mrs. Newallo-Hosein: Thank you, hon. Speaker. Hon. Prime Minister, how would you fund the increase of staff to fill the positions, as well as training?

Hon. Dr. K. Rowley: The final arrangements as we normally do from the national budget.

**Expansion of Small and Medium Sized Businesses
(Government's Plan)**

Mr. Rushton Paray (*Mayaro*): Thank you very much, Madam Speaker. Could the Prime Minister state his Government's plan to encourage more small and medium sized businesses to aggressively expand their export of goods and services?

The Prime Minister (Hon. Dr. Keith Rowley): One of the things that we have done and would continue to do is to identify small and medium businesses as

requiring Government's support. There is a policy that we had done before which we continue to follow, which is to preserve a percentage of Government procurement for small businesses and ensuring that that kind of incubator approach encourages those entrepreneurs who are in that category of small and medium.

And if they supply the local market, eventually some of them would be able to look outwards at markets which we can access and produce for those markets. We would also, at the Ministry of Trade and Industry, continue our quest in our attempt to access other markets, through our partial scope agreements, and, of course, in maintaining our relationships with our Caricom and regional neighbours so that we can access those markets because production for export starts with finding a market. [*Desk thumping*]

Country's Reliance on Food Imports (Measures of)

Dr. Bhoendradatt Tewarie (*Caroni Central*): Prime Minister, could you state a few measures that your Government intends to take to improve local agricultural production and improve productivity and thus decrease the country's reliance on food imports?

The Prime Minister (Hon. Dr. Keith Rowley): The first thing we are doing, in addition to what has been done before, is to try to identify where there are idle lands which are suitable for agriculture. When we identify those arable lands, as we have been doing in the Ministry of Agriculture, Land and Fisheries, the Government's intention is to make those lands available to the farming community and to offer as many incentives as possible.

Also, in recognition of the fact that we lost a significant number of farmers by virtue of aging in the farming community and that young people are not finding farming as an attractive area of endeavour, we are hoping through the programmes that the Minister is putting together now, that we want to encourage young people into farming. So if we have land and farming, with the support of the state and the national community, we believe that we can make farming an area of vocation which can see more persons in there.

We also are connecting with our diaspora so that those who are inclined to export can have a market for Trinidad and Tobago agricultural produce to those persons who will see Trinidad and Tobago as their home and would want to support our agricultural export enterprises; and also ensuring that there is money available to fund agriculture in these areas. Because one of the things that is

always an impediment, it is easy to say farmers must farm, but farming requires significant capital investment, and we want to make sure that those moneys are available and we will ensure that the ADB is in a position to provide that support for the efforts made elsewhere. [*Desk thumping*]

Dr. Tewarie: Is the intention, Prime Minister, to have Government facilitate the process of private sector, that is to say, private farmers, whether young or experienced in the agricultural sector, and therefore, create a booming private sector?

Hon. Dr. K. Rowley: Very much so. Farming is better done in the private sector, I can tell you, and what the Government is doing, as we find these lands and as we see successful farming initiatives, we try to encourage them in the private sector, and in some instances it may require private/public partnerships to ensure that their ventures are large enough and successfully.

Murder Detection Rate (Steps taken)

Mrs. Kamla Persad-Bissessar SC (Siparia): Thank you, Madam Speaker. Could the hon. Prime Minister state steps being taken by his Government to improve the murder detection rate?

The Prime Minister (Hon. Dr. Keith Rowley): Over and above what the Member is familiar with from the last six months, we have been trying to appoint good, strong and substantive leadership in the police service.

2.00 p.m.

Because I want to emphasize that the response in detecting crime in the country of Trinidad and Tobago is the police and security agencies of Trinidad and Tobago. It is not for teachers, not the doctors, not the priest, it is the police service largely and the supporting agencies. And what we are doing is ensuring that they have the training, the resources and the high morale that is required to confront the criminal element.

Murder Detection Rate (Details of)

Mrs. Kamla Persad-Bissessar SC (Siparia): Thank you. Is the Prime Minister aware that the murder detection rate has fallen from 17.8 per cent between August 2014 to March 2015 to the same time period, that is August 2015 to March 2016, has now dropped to about 8.6 per cent?

The Prime Minister (Hon. Dr. Keith Rowley): It is because I have been aware of that why I spoke about that last Sunday as an unacceptable state of affairs, and this is a matter which one has to put squarely. This is a matter that has to be put squarely in front of those whose job it is to detect crime and as far as we are aware, nothing dramatically has happened in the police service to have resulted in such a dramatic decline in detection.

What we do know is that there are crimes being committed and after they have been committed, we are not hearing about follow-ups in investigations and pursuit of those who have committed those crimes. This is a situation that is unacceptable and the Minister of National Security and all those in the security agencies have a duty to ensure that this direction is turned around.

Mrs. Persad-Bissessar SC: Thank you. Hon. Prime Minister, you are saying that the measure—we are asking what measures, what steps—means putting it squarely in front of those whose duty it is so to do. But what is the Government's role in this? Does Government have any role and how do you plan to put it squarely? What does squarely putting it mean?

Hon. Dr. K. Rowley: It means that we ensure that the persons whose job it is to detect crime, to fight crime, to confront the criminal elements, that they are properly populated in their institutions, that they have the resources and the training and the will and intelligence to go forward and get the job done. [*Desk thumping*]

Mrs. Persad-Bissessar SC: Thank you. Am I to understand, hon. Prime Minister, that you are saying for the past six months, these things have not been happening?

Hon. Dr. K. Rowley: The crime detection level has been dropping consistently. At one point—and by crime, I think you are talking about murders?

Mrs. Persad-Bissessar SC: Murders.

Hon. Dr. K. Rowley: Right. At one point, it was 30-odd per cent and it has moved consistently downwards until it is now 8.5 per cent. So clearly, this is unacceptable and we have to respond to it and the way the Government responds to it is that on the Government payroll, there is a large body of people whose job it is to respond to that. And I said before, it is not the teachers, not the lawyers, not the priest, those persons and that is why the information gathering is a key aspect of their ability to respond to those who are planning crimes.

And one of the things we have done is come to the Parliament with legislation to allow those agencies to get into the conversations of persons who are planning

crimes against the population. So that is only one aspect of it and we are going to continue to ensure that the persons whose job it is to fight the criminals in the country have what it takes to do so and we expect that the results will change. [*Desk thumping*]

Dr. Moonilal: Thank you very much, Madam Speaker. I did take note of the Prime Minister's statement on the morale of the police service needs to be improved to deal with this matter. In that context, could I ask the Prime Minister whether or not his Government intends to put the mechanism in place to provide compensation, \$1 million compensation to the families of police officers who have lost their lives? [*Desk thumping*]

Hon. Dr. K. Rowley: The answer is yes. We will put in place proper procedures and proper arrangements so that persons who lose their life in the line of duty will have that kind of comfort for their families. And I commend the officers who do that on a daily basis and whenever that happens, I think the population should not begrudge a family getting that kind of support. [*Desk thumping*]

State Enterprises or Statutory Bodies (Audits Conducted)

Dr. Surujrattan Rambachan (Tabaquite): Thank you, Madam Speaker. Could the Prime Minister say whether there are, at present, any audits, special, forensic or otherwise, being conducted in state enterprises or statutory bodies, as directed by the Executive?

The Prime Minister (Hon. Dr. Keith Rowley): I am aware that there are audits being done across the state enterprises sector and elsewhere. Audits are normal. In this time, they might be accelerated. Audits in particular areas is particularly where corruption screams out at us, but I am aware that an audit is being done in Lake Asphalt, one at the Port Authority, Airports Authority is also undergoing an audit, CNMG and CISL. And these are, if I understand your question, extraordinary audits because audits are always going on in the public sector.

Mrs. Persad-Bissessar SC: Hon. Prime Minister, would you be able to indicate with respect to the special audits you have mentioned, which firms are being utilized to conduct these audits?

Hon. Dr. K. Rowley: The majority of those audits are being done by the Auditor General and the Ministry of Finance but there are some audits being done by private sector firms as well.

EXPIRATION OF PRIME MINISTER'S QUESTION TIME

Madam Speaker: Hon. Members, the time allotted for Prime Minister's Questions is expired. Is it the wish of the House that we continue with these questions?

Question put and agreed to.

PRIME MINISTER'S QUESTIONS

**State Enterprises or Statutory Bodies
(Audits Conducted)**

Mrs. Persad-Bissessar SC: Thank you very much, hon. Speaker. Hon. Prime Minister, you indicated that some are being done by private sector companies. Would the Prime Minister be kind enough to share the information of which private sector companies?

Hon. Dr. K. Rowley: I do not have that information at this time but it can be made available from the Ministry of Finance, Corporation Sole.

**Government's Granting of Scholarships
(Details of)**

Dr. Tim Gopeesingh (Caroni East): Could the Prime Minister please state whether he supports the expressed view of his Minister of Education that under the former Government, there was a certain level of bias in the granting of scholarships?

The Prime Minister (Hon. Dr. Keith Rowley): If that is a view expressed by a Minister in my Cabinet, I will have good reason to think that he knows what he is talking about, and maybe the Member for Caroni East might be in a good position to tell us if there is anything else other than that statement.

Dr. Gopeesingh: If he is leaving the answer for the Minister of Education, from your knowledge, Prime Minister, are you aware whether there is any area of bias in the award of scholarships by the previous administration?

Hon. Dr. K. Rowley: The only thing I am aware of—what I am aware of is that the evaluation frameworks for the development scholarships were shaped in such a way that the scoring was weighted in favour of medical and legal applicants over other categories.

With respect to the CAPE scholarships, the overlap of criteria for students being considered for natural science made them also eligible for environmental

science so that such students had a chance of being considered for scholarships in both categories and note that such situation existed—this existed prior to 2010.

Dr. Gopeesingh: So are you confirming, hon. Prime Minister, that the criteria for the selection of candidates for scholarships was prior to 2010? Is the criteria that was used between 2010 and 2015 the same criteria that we used, that you had established—a PNM administration had established prior to 2010?

Hon. Dr. K. Rowley: I was very open and transparent when I said that the CAPE results were the same prior to 2010. But what I said before is that under the previous administration—which I think my colleague headed in education—certain frameworks for the development scholarships were shaped in such a way that the scoring was weighted in favour of medical and legal applicants over other categories. That was unique to your tenure.

Dr. Gopeesingh: Are you indicating, therefore, hon. Prime Minister, that the Ministry of Public Administration and the public servants would have deliberately changed their criteria to suit that? [*Desk thumping*]

Hon. Dr. K. Rowley: I want to remind my colleague from Caroni East that it is not good form to pass ministerial responsibilities onto public servants. [*Desk thumping*]

Dr. Gopeesingh: Are you aware, hon. Prime Minister, that the financial responsibility and the fiduciary responsibilities are the domain of the Permanent Secretaries and the public servants? And if you are saying that they have changed their criteria, are you castigating the public servants for doing so? [*Desk thumping*]

Hon. Dr. K. Rowley: I am passing no responsibilities for Government policy changes from the Minister to the public service.

Foreign Exchange Reserves (Central Bank Details)

Mr. David Lee (Pointe-a-Pierre): Is the hon. Prime Minister able to tell this House what is the quantum of foreign exchange reserves held by the Central Bank as at today's date?

The Prime Minister (Hon. Dr. Keith Rowley): As at today's date, the foreign exchange available to Central Bank is \$9.6 billion, 11 months coverage for Trinidad and Tobago's imports, US dollars.

Dr. Gopeesingh: Would the hon. Prime Minister then indicate how much of the foreign reserve has been used during the period subsequent to September 07th

to now? Are you in a position to indicate how much of the foreign exchange reserve has been utilized?

Hon. Dr. K. Rowley: The information available at this time indicates that there has been no significant change in the reserves within that period.

Dr. Gopeesingh: Well, then are you aware that the Central Bank would have paid a substantial amount of money subsequent to the Kamla Persad-Bissessar's PP partnership administration in foreign exchange to people who needed it subsequent to you taking over as a Government?

Hon. Dr. K. Rowley: Madam Speaker, is there a question there?

Madam Speaker: Member for Caroni East, there was a very long statement and could you actually put very succinctly the question?

Dr. Gopeesingh: Has there been any payment utilization of foreign exchange subsequent to September 07th from the Central Bank by your administration?

Hon. Dr. K. Rowley: Madam Speaker, on a daily basis, the job of the Central Bank, it earns foreign exchange, it puts foreign exchange into the local banking system. The Central Bank manages—foreign exchange is earned, foreign exchange is spent and on a daily basis, the Central Bank does just that, so I do not understand what the question being put to me by the Member is.

Dr. Gopeesingh: But are you in a position then, hon. Prime Minister, to indicate if you know how much Central Bank has earned and how much Central Bank has spent during this period of time? Are you aware of any figures relating to it or could your Minister of Finance assist you in the answer?

Hon. Dr. K. Rowley: I have just said in the context of earning and spending of foreign exchange, reserves have remained the same and that indicates that whatever comes in has been balanced by what has gone out. The reserves have remained about the same for the period that is under discussion. So I do not know what the question—I cannot find the question.

Dr. Rambachan: Prime Minister, if it is that you have said that the reserves remain the same, why is it then that the business community is continuing to complain about a shortage of foreign exchange in the country? [*Desk thumping*]

Hon. Dr. K. Rowley: It is because the utilization of foreign exchange is done at a number of points in the economy and there could be a number of reasons why and I do not want to speculate in that at this time.

**Foreign Exchange Reserves
(Possible Implications of Limitation)**

Mr. Prakash Ramadhar (*St. Augustine*): Thank you, Madam Speaker. Hon. Prime Minister, could you explain to this House the possible implications for the country's limited foreign exchange reserves in light of his Government's consideration of offering US dollar loans to local manufacturers through the Eximbank to be repaid in local currency?

The Prime Minister (Hon. Dr. Keith Rowley): Because we are trying to get people who are having difficulty getting their raw materials to conduct business to be able to conduct that business and to put them in a position to earn foreign exchange and insofar as they are put in that position to conduct the business and to earn foreign exchange, we are in a much better place than if they were not able at all to conduct—

Mr. Ramadhar: Hon. Prime Minister, it begs the question then: why the repayment in local currency and not US dollars?

Hon. Dr. K. Rowley: When you go to the bank to get some US dollars, what do you pay with? You pay with local currency.

Mr. Ramadhar: But the repayment.

Hon. Dr. K. Rowley: It is the same principle that US dollars is on one side and if you want to access it, you pay in local currency.

2.15 p.m.

In this case in facilitating them by providing the US dollar, they are trying to assist them to get the business done. And, then, as is normal, they pay the bills in local currency.

Dr. Rambachan: Through you, Madam Speaker. Prime Minister, in allowing the manufacturers to buy the currency through Eximbank, or get the currency through Eximbank, is this any recognition on the part of the Government that perhaps there have been leakages by the manufacturers, or utilization of money by over invoicing and so on, and this is a method to control the outflow of money that has been going out, maybe, illegally?

Hon. Dr. K. Rowley: I am making no such allegations and I am casting no such aspersion. What this is, is facilitating and targeting specific utilization, and we believe, are in the best public interest.

Mrs. Persad-Bissessar SC: Through you. Hon. Prime Minister, why do we want to give a loan? Why they cannot just buy the foreign currency like everyone else? I would be happy if you could explain that, please.

Hon. Dr. K. Rowley: The utilization of loan is normal business transaction dealing with the bank. You are using somebody else's money to conduct your business, and there are margins to be made, the business being conducted, and it is a facilitatory mechanism. It is facilitating.

Dr. Tewarie: Thank you very much, Madam Speaker. Could the Prime Minister state, in light of the challenges that we now face in terms of reduced energy prices, some of the matters that the Prime Minister and his Government intend to address to deal with this challenge?

Hon. Dr. K. Rowley: Well, let us start with the fact that we have absolutely no control over energy prices. What we do have some control over is production, and what we have been doing is ensuring that where there are issues that mitigate against improved production, we treat with those issues. Only recently the energy subcommittee of Cabinet, and today the Cabinet approved certain movement of acreage on licence from one set of people to another set so as to ensure that production is facilitated in the on-land production, in the small-field arrangements we have allowed certain holders of acreage who have financial difficulty to pass that, through trading arrangements, to persons who have the money to invest. So, we are trying to encourage production at the large company level and at the small company level, so, that where we do have some influence we can have that influence result in our improvement in earnings, because we cannot influence the price with respect to oil and gas on the world stage.

Mr. Padarath: Madam Speaker, through you, to the hon. Prime Minister. Prime Minister, are you concerned that the paralyzed state of the local economy may be forcing many citizens to consider migratory options?

Hon. Dr. K. Rowley: I am not aware of what plans the Member for Princes Town has for himself, but I know of no paralyzed economy.

Dr. Gopeesingh: In light of the widespread public speculation on the removal of the fuel subsidy, and in order to provide some measure of reassurance to citizens, could the hon. Prime Minister please state what is his Government's immediate and present position on this matter?

Hon. Dr. K. Rowley: Madam Speaker, one could not get more immediate than the Minister of Finance, sitting next to me waiting to talk on this particular subject.

Dr. Gopeesingh: Sorry, I did not hear you.

Hon. Dr. K. Rowley: I am saying that one could not get any more immediate than having a Minister of Finance next to me now waiting to talk on the particular subject.

URGENT QUESTIONS**Injuries by Bush Fires
(Steps taken to Protect Personnel)**

Mr. Rushton Paray (Mayaro): To the hon. Minister of Agriculture, Land and Fisheries: In light of the recent incident where a forest ranger died from injuries sustained while battling a bush fire, could the Minister indicate what steps his Ministry is taking to better protect personnel responsible for dealing with bush fires? Thank you.

The Minister of Agriculture, Land and Fisheries (Sen. The Hon. Clarence Rambharat): Thank you very much, Madam Speaker. Let me place on the record the country's gratitude to Keith Campbell and his family, for Mr. Campbell's dedicated service to this country. Mr. Campbell was the forestry officer killed in that fire on Good Friday. Upon receiving the news of the injuries to our Forestry Division employees, instructions were immediately issued to restrict the Forestry Division of the Ministry to the role of keeping a fire watch in areas to which the division was assigned, pending a full review of the events that led to the tragedy. This is the most important step taken to protect our employees engaged in fire watch and response.

Madam Speaker, this instruction attracted commendation from the *Trinidad Express* in its editorial of March 27, 2016. Since then the leadership of the Forestry Division together with the Minister have commenced the review of the role and response of the Forestry Division to bush and forest fires. The Ministry is also reviewing the training and equipment provided to employees engaged in fire watch and fire response. Upon the completion of these reviews the Ministry will take the appropriate action. In the interim the Forestry Division will only attempt fire control measures where the risk is deemed to be significantly low, having regard to the training and equipment provided to fire responders.

**ArcelorMittal Workers
(Payment of Pensions)**

Mr. Rudranath Indarsingh (Couva South): To the hon. Minister of Labour and Small Enterprise Development: Given all the urgent issues concerning the payment of pensions to the workers of the now defunct ArcelorMittal steel plant, could the Minister state whether her Ministry intends to provide some relief to these former workers who are now in desperate straits?

The Minister of Finance (Hon. Colm Imbert): Thank you, Madam Speaker. On behalf of the Minister of Labour and Small Enterprise Development, I wish to clarify certain misconceptions and misinformation that is in the public domain regarding the pension plan for ArcelorMittal workers.

I had a meeting with the Steel Workers Union and with ArcelorMittal approximately two and a half weeks ago. During the meeting with the workers the question of their pension plan and the integrity of their pension contribution was raised, and I gave an undertaking then to raise the matter with ArcelorMittal who I was due to meet shortly thereafter on that same day, I believe it was March 18th or close to March 18th. And, during the meeting with ArcelorMittal I specifically enquired as to whether they were up to date with respect to their contributions to the pension plan, because there had been some concerns that they might not be.

And ArcelorMittal told me that they were fully up to date, and that they had paid all required contributions to the pension plan. I took the caution of assigning a senior officer of the Ministry of Finance—well known to the Member for Couva South—to speak to the trustees of the plan, speak to the company that is managing the plan, which is Republic Bank. And I am advised that in a meeting with the union, between the union and the trustees, the union was assured that Mittal had made all required payments to the plan. What is required now is an actuarial valuation. Because, actuarial valuations are done on a biannual basis, and it is not normal to do one on an emergency basis, but it is required now, I am told that this valuation will take three to four months to complete. The actuaries, I am advised, are Bacon Woodrow and de Souza—

Madam Speaker: Hon. Member, your speaking time has expired.

Dr. Gopeesingh: In view of the discussions that the Minister of Finance had with the ArcelorMittal group, were there any other areas of discussions, namely, discussions with them bearing in mind a similar situation in Britain with the TATA group, a steel group that was trying to move out of Great Britain, in that context?

Hon. C. Imbert: Madam Speaker, in the context of this question which deals with pensions, I am simply reporting that Mittal is up to date with its payments. An actuarial valuation will be done. If there is a surplus, the surplus goes to the workers; if there is a deficit, the deficit has to be addressed when the assets of the plant are sold. I am not in a position to speak to any other matters.

Mrs. Newallo-Hosein: Thank you, Madam Speaker. Hon. Minister of Finance, is the Government aware that approximately 120 workers who were

retrenched in 2009 were victorious in an Industrial Court matter against ArcelorMittal, have not been compensated to date?

Madam Speaker: Member, I would not allow that question as a supplemental question arising out of the matter at hand.

Overcrowding at the Prisons (Ministry's Plans to Handle)

Mrs. Vidia Gayadeen-Gopeesingh (*Oropouche West*): To the hon. Minister of National Security: Having regard to recent incidents of prison outbreaks and the alarming news about the conditions in Remand Yard, what does his Ministry intend to do about the overcrowding at the prisons which is now at a critical level?

The Minister of Foreign and Caricom Affairs and Minister of State in the Ministry of National Security (Sen. The Hon. Dennis Moses): Thank you very much, Madam Speaker. [*Desk thumping*] The Ministry of National Security has adopted a proactive approach relative to—

Dr. Gopeesingh: Lift your voice.

Sen. The Hon. D. Moses: Will do so. The Ministry of National Security has adopted a proactive approach relative to the overcrowding at the penal institutions at Arouca and Port of Spain. Beginning next week, restructuring and creating space at the Maximum Security Prison will take place, thereby allowing a hundred detainees from the facility at Port of Spain, and 200 detainees from the facility at Arouca, to be housed at the Maximum Security Prison. This should alleviate the overcrowding problem in the interim. Existing conditions at the facilities, some relief would have been brought to them by the provision of extractor fans, increased lighting and security at the said institutions. That is the end. [*Desk thumping*]

Zika Virus in Trinidad and Tobago (Steps being taken)

Dr. Lackram Bodoie (*Fyzabad*): To the hon. Minister of Health: Can the Minister update this House and the national community on any new steps being taken by his Ministry in fighting the Zika virus in Trinidad and Tobago?

The Minister of Health (Hon. Terrence Deyalsingh): Thank you, Madam Speaker. On Friday, January 29, 2016, the Government of Trinidad and Tobago declared a public health emergency over the Zika virus followed by the same

WHO on February the 1st. The approach to the treatment of Zika is based on WHO protocols on dengue because they are both carried by the same vector. The protocols include: epidemiology integrated vector management, the environment, laboratory strengthening and social communications. New initiatives are:

1. A legislative approach, increasing the fines under the yellow fever regulations for unkempt lots from \$500 to \$3,500;
2. Newly, we have strengthened and increased the surveillance capabilities;
3. Under clinical strengthening we have developed the protocols to treat with our mothers who have contracted the virus, and note the calls to make the protocols public.

The protocols will be made public after next week, because PAHO's obstetrician team is down here from Monday, they will be doing a peer review of Trinidad's protocols and they will be made public. Also we have strengthened the laboratories by bringing in more ELIKA machines which will help us to test for Zika. Societal interventions—and, Madam Speaker, this comes after a post mortem of the Ebola crisis in West Africa. It was found that coming out of that we need more civil society input. The Minister of Health has engaged the Rotary Club of Trinidad and Tobago to be part of the Zika response. Terms of reference are being developed to engage them.

2.30 p.m.

Lastly—and I must state this—the Government can do all it wants, but personal responsibility at the level of the home and the community is very, very important in partnering with the Government.

Thank you very much. [*Desk thumping*]

Dr. Bodoë: I take note of the Minister's intention to establish protocols, but can the Minister indicate what advice is being contemplated in terms of women who are contemplating pregnancy?

Hon. T. Deyalsingh: The Government is here to uphold the Constitution which gives the right to a private and family life for everyone. We have advised women who are pregnant or thinking about becoming pregnant, to take all sensible and necessary precautions to prevent themselves from being bitten by the *Aedes aegypti* mosquito. To that end, we have advised them to wear long clothing, use insect repellent on their exposed body parts like hands and feet, and we have been giving out mosquito nets at all the antenatal clinics.

Dr. Gopeesingh: In view of the waiting time between the PAHO and the Ministry of Health working together to establish the protocols as you indicated: is there any step being taken by the Ministry of Health now to deal with approximately 17,000 pregnant patients in Trinidad at the moment, thousands of whom are in the first trimester and second trimester? Bearing in mind that the symptoms of Zika affecting somebody are sometimes asymptomatic, they do not have any symptoms at all, very little: what protocols have you established while you are waiting for PAHO and yourself to come up with a defined methodology for dealing with these thousands of pregnant patients who are scared at the moment? This is life for them and for the ones in utero.

Hon. T. Deyalsingh: The question is based on a fallacy. We are not waiting on PAHO to develop the protocols. The protocols have been developed. I stated clearly, PAHO is coincidentally here next week, and they are going to peer review it, so we are not waiting on them.

But what is more confusing, Madam Speaker, is that my friends opposite, when we declared a public health emergency via their main spokesperson on health, the Member for Barataria/San Juan, who said that we were creating panic by declaring a public health emergency, and it is only now that those on the other side have seen the validity in that. [*Desk thumping*] We will develop the protocols and we will do everything that we can. [*Desk thumping*] It is rather strange and sad that my friends opposite have only now come to the realization that Zika poses a public health emergency. We never had the courtesy of their support on Friday, January 29, 2016. [*Desk thumping*]

**FINANCE (VARIATION OF APPROPRIATION)
(FINANCIAL YEAR 2016) BILL, 2016**

Bill to vary the appropriation of the sum the issue of which was authorized by the Appropriation (Financial Year 2016) Act, 2015 [*The Minister of Finance*]; read the first time.

Motion made: That the next stage of the Bill be taken later in the proceedings in accordance with Standing Order 64(1)(b). [*Hon. C. Imbert*]

Question put and agreed to.

SUSPENSION OF STANDING ORDER 45(1)

The Minister of Finance (Hon. Colm Imbert): Thank you, Madam Speaker. In accordance with Standing Order 122, I seek your leave to move that Standing Order 45(1) in relation to the mover of the Motion be suspended to allow for a

Suspension of Standing Order 45(1)
[HON. C. IMBERT]

Friday, April 08, 2016

contribution not exceeding 90 minutes due to the significance of the matter to be debated.

Madam Speaker: Hon. Members, having regard to the importance of this matter, I therefore grant my leave.

Mr. Singh: Madam Speaker, the Standing Order 122 requires one day's notice but, of course, you have a discretion, the Speaker has a discretion. Now, if the Minister—this is a Variation of Appropriation Bill, and it appears to me that the objective of the Minister is to speak for an unspecified time, a lengthy period. [*Crosstalk*] The point we want to make is that you are seeking to ambush the country [*Desk thumping*] by virtue of the fact you are seeking to extend the period, but also you ought to give consideration to the Opposition—sufficient time for preparation—as you seek, otherwise it would be a plain ambush.

Madam Speaker, Standing Order 45 deals with the length of speeches. Standing Order 88 deals with the Report of the Finance Committee before us, and this is what we were called to the House and given notice to prepare. [*Desk thumping*] This, you know, this kind of, this level—we are certain the country wants to hear the Minister of Finance, but we are also certain that the country wants to hear the Opposition. The point is that you have to give us sufficient time and not ambush the Parliament and the country. [*Desk thumping*]

Madam Speaker: Just before you move the Motion, I would just like to clarify the point for the Member for Chaguanas West. I did not remember the Member at all saying an unspecified time. I believe the Member said 90 minutes. Yes, thank you.

Hon. C. Imbert: Thank you, Madam Speaker. In accordance with Standing Order 122, I beg to move that Standing Order 45(1) be suspended in relation to the mover of the Motion, and that the first Member of the Opposition to join the debate, to allow for contributions not exceeding 90 minutes in each case due to the significance of the matter to be debated. [*Desk thumping*]

Madam Speaker: Hon. Members, the question is that Standing Order 45(1) be suspended in relation to the mover of the Motion and the first Member for the Opposition to join the debate to allow for contributions not exceeding 90 minutes in each case due to the significance of the matter to be debated. I believe, Member for Chaguanas West, this takes care of your point of there being some equity and, therefore, I am putting the question. [*Crosstalk*]

Question put and agreed to.

**STANDING FINANCE COMMITTEE REPORT
(ADOPTION)**

Dr. Moonilal: Ma'am, could I raise a matter to clarify, please?

The Minister of Finance (Hon. Colm Imbert): Thank you, Madam Speaker—[*Interruption*]

Dr. Moonilal: We are dealing with a Bill, could I clarify?

Hon. C. Imbert: Madam Speaker, I beg to move the following Motion standing in my name—[*Interruption*]

Dr. Moonilal: It is the Finance Bill we are dealing with.

Mr. Padarath: Sit down! Sit down!

Hon. C. Imbert: What is going on?

Madam Speaker: Members, I expect that we would display a certain decorum. Member for Princes Town, that outburst would not be tolerated. [*Desk thumping*] Okay? I have already put the question, the question has been moved, and now the Member, the Minister of Finance, will now be on his legs to make his presentation. Proceed. [*Crosstalk*]

Dr. Tewarie: Madam Speaker, may I have your ear?

Hon. C. Imbert: Come on man. What is going on here?

Madam Speaker: Member for Caroni Central, there is no debate on the Motion as moved and unless you are coming on a point of order, I cannot entertain you. So if it is a point of order, could you point out the relevant breach?

Dr. Tewarie: I would like clarification, Madam Speaker.

Madam Speaker: May I now call the Minister of Finance. [*Desk thumping*]

Hon. C. Imbert: Madam Speaker, I beg to move the following Motion standing in my name:

Be it resolved that this House adopt the Second Report of the Standing Finance Committee of the House of Representatives for the First Session (2015/2016), Eleventh Parliament on the consideration of proposals for the Variation of Appropriation for the fiscal year 2016.

Madam Speaker, hon. Members would have been circulated with the Second Report of the Standing Finance Committee, and the report would have addressed a number of movements of funds and sought the approval of the Finance

Committee to bring to this Parliament by way of a Bill, which we will deal with in due course, Madam Speaker, for a variation of appropriation of expenditure.

Now, Madam Speaker, in the context of the proposed variation of appropriations which, as I said, is well documented in this report, and for the benefit in particular of the Member for Siparia, the Schedule relating to the variation of estimates is Appendix III to this document, and it gives full details of all of the revised provisions with respect to expenditure for the remainder of fiscal 2016. For example, Madam Speaker, it deals with under “Head 05”, an additional allocation of \$16 million for the operations of constituency offices.

With respect to the Office of the Prime Minister, the Schedule gives details of all of the items of expenditure, which would now be managed by the Office of the Prime Minister which are being transferred from the Ministry of Social Development and Family Services and these will include, Madam Speaker, matters relating to gender affairs, matters relating to children, Madam Speaker.

With respect to the Ministry, again, the Office of the Prime Minister, we are asking Parliament’s permission to allow the Office of the Prime Minister to expend public money for the St. Michael School for Boys in the sum of \$3.7 million; for the St. Jude’s Home for Girls in the amount of \$7,904,508; to expend \$30 million for the Children’s Authority. Madam Speaker, that is all in the Office of the Prime Minister, and then the Schedule continues to deal with all of the transfers and the movements of the funds that we wish to spend in the next six months of this fiscal year.

Now, Madam Speaker, in order to understand how we are going to get the money to do this expenditure, it is necessary for us to take a look at what has happened in the first half of fiscal 2016, because I want to stress, Madam Speaker, one cannot spend money that one does not have. So in order to allow this Parliament to authorize—because I am coming to the Parliament to get the Parliament to authorize this expenditure but, I have to persuade the Parliament that we have the revenue to make these expenditure items.

Mr. Singh: You are going outside of the Report of the Standing Finance Committee.

Hon. C. Imbert: Madam Speaker, I think I have made myself clear. One cannot spend money unless one earns money. So that in order to get Parliament’s approval to spend money, I would have to explain how the country is earning money.

So, Madam Speaker, the 2016 budget was presented on October 05, less than one month after the new Government was sworn in. At the time, we made it clear it was based on limited information available to the new Government upon assuming office.

2.45 p.m.

It is incumbent on me, as I said, to give details of the fiscal out-turn for the first half of fiscal 2016 and the projections to the end of fiscal 2016. If I did not do so the proposed variations would be left hanging in a policy vacuum.

Madam Speaker, several of the policy changes and the fiscal measures that are proposed to support the expenditure that we are asking Parliament to approve will require amendments to a number of pieces of legislation. Some of these legislative changes will take effect immediately, while others will take effect upon the passage of the Finance Bill No. 2 of 2016, which I propose to introduce and debate in this House in the first week of May 2016 that is within the next month. [*Crosstalk*]

Madam Speaker, when this Government presented the 2016 budget, we had no illusions that we were in a difficult economic situation caused by radical changes in global energy markets, which had led to a collapse of oil prices in 2015 and a drastic reduction in revenues from petroleum. This difficult revenue situation was compounded by five years of mismanagement of our finances. In October 2015, we recognized the risks for fiscal planning, and as we speak here today, Madam Speaker, we are planning to go forward to make expenditure such as \$30 million for Children's Authority, but there will always be risks as we go forward because of the uncertain prospects for oil and gas prices, and the still unclear position with respect to the extent of liabilities incurred by the previous administration.

At the time in October 2015, we therefore made a number of conservative price and revenue assumptions, based on the advice of experts, with the proviso that these assumptions were to be revisited at the time of the mid-year review in April 2016. We are now there, and it is no secret that the economic environment has turned out to be significantly worse than previously envisaged.

Before I begin, allow me to debunk the mischief that is being propagated in the public domain that this review of income and expenditure has come too late. By definition the middle of the Government's financial year is March 31, it is therefore impossible to do a proper mid-year review until the month of April. Any

SFC Report (Adoption)
[HON. C. IMBERT]

Friday, April 08, 2016

review done before that would be inaccurate and irresponsible. We have just come to Parliament in April, one week after the end of the mid-year period, which by any standards is a record since [*Desk thumping*] mid-year reviews in Trinidad and Tobago have been routinely done in May and June, as was done under the previous—May and June, they totally agree. [*Interruption*]

Hon. Member: You now complain about February.

Hon. C. Imbert: No, it is not you I am speaking to.

Madam Speaker, on the flip side, while I appreciate the calls for a deferral of this process to sometime later in the year to allow widespread public discussion on the most appropriate fiscal measures, it is just not practical or feasible to do so. We do not have the luxury of time. We therefore ask the various interest groups to bear with us as the economic situation is very serious and corrective action must be taken immediately, lest we find ourselves in dire straits that we would have no choice but to request the IMF for balance of payment support, with all of the attendant adverse conditionality's that come with that scenario.

Indeed, Madam Speaker, we must avoid an IMF programme at all costs and must therefore be proactive and chart our own economic course without being forced into structural adjustment. The reality is, Madam Speaker, as today we discuss proposed expenditure for the balance of the fiscal year, that the current severely depressed oil and gas prices have had a serious adverse impact on the public finances. In order to understand where we are, it is necessary to look at our macroeconomic situation. Based on data available from the Central Statistical Office in September, it was assumed that we had virtually no economic growth in 2015. In other words, a flat economy, and that there would be a decline of approximately 1.4 per cent of GDP in 2016.

While there are still no official estimates of GDP from the CSO for 2015, because of the dysfunctional condition that the organization was left in by our predecessors, especially the Member for Caroni East, it is clear that the actual economic performance in fiscal 2015 was much worse than originally anticipated. Rather than zero growth, real GDP in 2015 is now estimated by the Central Bank to have declined by 2 per cent. In fact, the latest data from the Central Bank has indicated there was a decline in economic growth in all four quarters of 2015, starting from January 2015.

As for 2016, because of the inordinately long slump in oil prices it is now estimated there will be a further decline of 2 per cent of GDP in 2016. Madam Speaker, you would recall the 2016 budget, which was approved by this House,

and which we seek to vary today by way of a variation of appropriation, was based on an oil price of \$45 per barrel for WTI crude, a level that was considered fairly conservative at the time since at the time WTI was averaging US \$46 a barrel, with a projection it would average \$53 per barrel in 2016. The gas price assumed in the budget was US \$2.75 per million Btu, Henry Hub, at a time when the market price was US \$2.66 per MMBtu.

However, as those of us who follow international news know, due to the hard-line position taken by OPEC, where Saudi Arabia and other OPEC countries in their ongoing battle for market share, for shale oil and gas producers in the USA, battle with shale oil producers, chose not to cut production in the face of a global oversupply of oil. Madam Speaker, let me digress. In terms of revenues for Trinidad and Tobago, which we need to spend, to spend on all of the items that we are seeking to reallocate and transfer today, statements made by members of OPEC can have a very profound effect on the price of oil. Just last week the price of oil dipped by two to three dollars simply because officials from Saudi Arabia said that they were not going to cut production. Just today I saw the price of oil moved upwards by \$2.50, again, because there is speculation that there is going to be a freeze in production.

So we are in a very, very volatile situation. So even as we come to this Parliament today, and I am saying now, that even as we plan for these transfers as we move the Children's Authority from Family Services into the Office of the Prime Minister, as we move OJT from the Ministry of Education, as we plan to spend the \$374 million on the On-the-Job Training Programme, which was of such concern to the Member of Siparia in the Finance Committee; even as we plan to do that, the situation may change in a flash and we may not even be able to spend the appropriations that we are seeking to vary today. So I thought I would put that before this House when we go to discuss, in more detail, some of the variations of appropriation.

So, Madam Speaker, notwithstanding predictions of international experts, the average oil price for the first six months of fiscal 2016 was US \$37 a barrel, while the average gas price was US \$2 per MMBtu. By contrast in 2014, the corresponding oil and gas prices were \$61 per barrel for WTI and \$3.35 for Henry Hub. That is in the fiscal 2014/2015 period. So that the price of oil is virtually half of what it was in the previous fiscal period, and the price of gas is also considerably less than what it was in the previous fiscal period. Madam Speaker, it is no secret that commodity producers all over the world are experiencing very trying times. Energy companies have been slashing investment budgets, laying off

SFC Report (Adoption)
[HON. C. IMBERT]

Friday, April 08, 2016

workers, and some companies have gone out of business. We in Trinidad and Tobago are not immune to these conditions. In Trinidad and Tobago exploration budgets have been trimmed, there have been lay-offs in the energy sector. Some of the smaller operators are now on the brink of going under.

So, Madam Speaker, if anyone in Trinidad and Tobago doubted that we are in a new paradigm in terms of national income and expenditure, those doubts should have been erased by now. Indeed, the change in the global economic environment, particularly for oil-based economies, for Trinidad and Tobago, has caused, what is referred to in the literature, as a “sea change” or a profound transformation. It must be understood by all then that the dramatic collapse of energy prices is tantamount to a sharp and sudden drop in Trinidad and Tobago’s national wealth.

All persons with a stake in the future of this country need to understand and appreciate that we are no longer as wealthy as we were before, and we simply cannot afford to continue with the fiscal indiscipline that occurred over the last five years. We must now exercise restraint and fiscal discipline. Madam Speaker, again, as we seek to raise the revenue for the expenditure in the report, I wish to advise hon. Members that we were subject to an Article IV Consultation by the International Monetary Fund last month. For those who may be wondering why such consultations occur, it is necessary to appreciate that when a country joins the IMF it agrees to subject its economic and financial policies to the scrutiny of the international community.

The IMF’s regular monitoring of economies and associated provision of advice is intended to identify weaknesses that are causing or could lead to financial or economic instability. And I stop here, Madam Speaker. We could talk all we want about the plans to spend all of this money that we are seeking approval for today, or to move money around. We could talk all day about how we would spend all of this money, but unless we have a better picture of how this country is going to take us forward, then these discussions today would merely be academic. [*Desk thumping*] The IMF’s monitoring of economies and provision of advice is critical. It is known as country surveillance. It is an ongoing process that culminates in regular, usually annual consultations with member countries.

During an Article IV Consultation an IMF team visits a country and assesses the economic and financial developments, and discusses policy with Government officials, Central Bank officials, and also meets with parliamentarians and representatives of business, labour, and civil society. I would think that recently the Opposition would have been visited either by the IMF and/or other agencies.

The team reports its findings to the IMF and presents them for discussion to the Executive Board, which represents all of the IMF member countries in the world. A summary of the board's views is then transmitted to the country's Government and published for the information of the general public.

In this way, the views of the global community and the lessons of international experience are brought to bear on national policies. These consultations are vital to maintain a country's reputation and creditworthiness. And the reason why I say that, Madam Speaker, to support the expenditure that we are about to discuss, or we are discussing with this variation of appropriation matter, we must have international creditworthiness, because if we lose our credit rating the cost of borrowing will skyrocket and the cost to the taxpayer will be significant and severe.

Madam Speaker, the previous Article IV Consultation should have taken place one year ago. However, the previous Government, obviously afraid of the negative effect of a bad IMF report, on the outcome of the election, chose to avoid a visit by the IMF in 2015. [*Crosstalk*] In similar fashion—[*Interruption*]

Madam Speaker: Members. Please, continue.

Hon. C. Imbert: Madam Speaker, as I said, the previous Article IV Consultation should have taken place in March 2015. The previous Government sought to avoid it. They also chose to avoid a scheduled review by Standard & Poor's Financial Services, an international credit rating agency, as well as a review by Moody's Investors Service, another international credit rating agency to which we subscribe.

3.00 p.m.

Clearly, the previous Government, the former administration was afraid of what these agencies might discover. [*Desk thumping*] We on the other hand, and I will indicate that we are going to borrow money to deal with the expenditure for the remainder of the fiscal year. We will have to borrow money for budgetary support to get the \$16 million to pay for constituency offices, hopefully in accordance with the guidelines and the rules. But, Madam Speaker, our national, international creditworthiness is extremely important. I can confirm, therefore, that this PNM administration has completed its Article IV Consultation during last month, March 2016. [*Desk thumping*] In addition, we also facilitated visits by Standard & Poor's and Moody's in the same month of March 2106, and just last week we accommodated a visit by CariCRIS, the Caribbean's credit rating agency.

In the first six months of this Government, therefore, this PNM Government has accommodated all of the required visits by all the international rating

SFC Report (Adoption)
[HON. C. IMBERT]

Friday, April 08, 2016

agencies, [*Desk thumping*] something they were afraid to do. We look forward to the final reports from these agencies in due course and we shall take careful note of their findings and their recommendations as we chart the way forward for Trinidad and Tobago.

It is noteworthy that at the end of their recent visit the IMF issued a press release and made the following statement:

Despite the great challenges posed by the need to adjust to energy prices, Trinidad and Tobago still has enormous strengths, including a well-educated workforce [*Desk thumping*] and a stable political system. With substantial financial buffers and low—

Madam Speaker, Madam Speaker, could you control? Could you control them, please?

Madam Speaker: Members, I know we are very, very all excited by the presentation. I would like to hear the Member. Proceed.

Hon. C. Imbert: Madam Speaker, I know that they are riveted by the transfer from the Ministry of Sport and Youth Affairs of \$10 million to support the operations of regional complexes. [*Desk thumping*] But let us go back to the IMF because if we cannot raise the money, we cannot find the money to transfer that \$10 million to run regional complexes in the balance of 2016. So the IMF told us that with substantial financial buffers, Trinidad and Tobago is not in a crisis. But here was the point:

Nonetheless, in recent years, taking into account the size of energy revenue windfalls, the country has under-saved and under-invested in its future. As a consequence, the imbalances are now starting to build up which could lead the country to uncomfortable levels of debt and external financial cushions absent further action.

In other words, although we are not in a crisis, if we are to survive the present economic difficulties, we need to recognize and adapt to the new realities. We must avoid the mistakes of the past. In other words, we must avoid what the previous administration did, which was under-investing and under-saving. It should be noted that the IMF has recognized that the new PNM Government has taken a number of difficult but necessary measures in the face of sharply lower energy revenues to stabilize the economy of Trinidad and Tobago and to give us the wherewithal to deal with the expenditure that we are discussing today.

I think it is necessary also, Madam Speaker, to speak to the fiscal outturn. As a result of significant cutbacks in expenditure, and we will have to cut some of

these items that we are seeking approval for today. The net fiscal outturn in the first half of the year is a little better than anticipated, however policy changes are critically needed in order to strike a better balance between adjustment and the promotion of economic growth. So that we can spend the money proposed in this variation of appropriation.

And this is why Members opposite, even though they are grumbling, they need to understand if we do not earn money, we cannot spend money. So if we do not speak about how we are going to earn revenue, then talking about variations of appropriations is a meaningless, academic, empty exercise. So it must be put in context. Put in context. [*Crosstalk*] Thank you very much, Member for Naparima, I am glad you agree.

Madam Speaker, we are also intent on ensuring that required adjustment is done in an equitable manner. We are committed to minimizing hardship on the poor and low-income groups as we maintain and improve incentives for increased investment and production by the business community over the medium term.

Hon. Members, in the first five months of the fiscal year, revenue collection was \$2.96 billion lower than expected, approximately \$3 billion less than expected in the first five months of the fiscal year. On the positive side, government expenditure was \$7.75 billion lower than programmed in the budget. So revenue was down by \$3 billion, but expenditure has been curtailed by \$7.75 billion.

To explain this, it has been noted that the 2016 budget had assumed early payment of high-cost items such as arrears of salary, back pay, and was thus front loaded. However, the very tight cash flow and the very heavily overdrawn Exchequer Account that we were faced with upon assumption of office did not permit these payments to be made in the first half of fiscal 2016. As a result of the deferral of payments of back pay and other arrears such as debts owed to suppliers and contractors which were incurred in the run-up to September 2015 election, the accounts showed that the budget deficit for the period was \$2.91 billion as compared to a programme deficit up to March of \$7.7 billion.

Madam Speaker, the revenue shortfall was primarily in tax receipts from the energy companies, reflecting a sharp decline in projected income from oil and gas companies in the first half of the year of over \$2 billion. And this was after the revenue projections from petroleum were cut drastically in preparing the 2016 budget.

There was also a shortfall of \$1 billion in other corporation tax receipts from the non-oil sector due to a slowdown in activity. To counteract this shortfall in

SFC Report (Adoption)
[HON. C. IMBERT]

Friday, April 08, 2016

revenue, the cutbacks in expenditure were informed and influenced by two main factors: the Government's decision that all Ministries and department would be required to reduce expenditure by 7 per cent, and the acute cash flow problem faced by the central government. We have had no choice but to drastically cut programme expenditure otherwise we would be faced with a situation where the Central Bank would have to cease honouring government cheques. For fiscal 2016 therefore, we are now looking at a revised expenditure total of \$59 billion, \$4 billion less than the original \$63 billion.

Madam Speaker, you would recall that I pointed to the unprecedented recourse by the previous administration to the Central Bank overdraft and their excessive short-term borrowing. And, Madam Speaker, if we do not have a proper debt management strategy, then the \$30 million, I must repeat, for the Children's Authority will not be able to be advanced. [*Desk thumping*] By way of example, just a few days before the September 2015 election, the former Cabinet approved a short-term loan six-month facility of \$1.6 billion for T&TEC. This matured in February 2016. Can you imagine while you have to send money for children, while you have to send money to homes for the aged, Madam Speaker, while we are talking about this which is what we are talking about today, can you imagine while you are grappling with that situation, being faced with the requirement to pay in full a \$1.6 billion short-term loan with oil prices below \$30, the government overdraft maxed to the limit and the Exchequer Account overdrawn by \$30 billion? This is what we face. And this why, Madam Speaker, it cannot be a sterile debate simply about expenditure and appropriations. We must look at the country's ability to maintain the expenditure that we are debating today. [*Desk thumping*] That was just one of those irresponsible short-term financing facilities. It would seem as if they did not want to win the election. There were so many of these loans that matured in November, January, February, billions of dollars.

Madam Speaker, these measures that reduced available liquidity in the financial system also put a brake on government spending. We had to take money that we would spend on all of the items like on-the-job training and we had to use it to retire government debt, short-term debt. We also could not finalize a number of loan arrangements entered into by the previous administration simply because we did not have the lawful authority to conclude these financing arrangements. These included billion-dollar loans for hospitals, housing, military vessels, equipment and so on.

So, to give the country breathing space and to facilitate our development programme, we came to Parliament and obtained approval for increases in

government borrowing, something the previous administration, again, was afraid to do. But with the financial systems strapped for liquidity, there is not much room for new government bond issues unless adjustments are made to the reserve requirements in the Central Bank; alternatively, the Central Bank improves liquidity through open-market operations.

We are therefore working closely with the Central Bank to facilitate this since we must raise funding on the domestic market to pay our bills, Madam Speaker. We must raise funding on the domestic market to pay all of these items that are before this House for approval—the transfer of appropriations, the response to HIV/AIDS. We cannot help the poor people afflicted with HIV/AIDS until we deal with the ability to borrow and the ability to raise revenue.

Madam Speaker, to be safe and to make sure that we can make the payments that we are seeking approval of this House today, fiscal operations during the second half of this year will now be based on an oil price of \$35 per barrel. We have revised our oil price from \$45 to \$35 and a gas price of \$2 per MMBtu. This would imply, however, a sizeable shortfall in energy tax receipts compared with original projections. Collections of VAT are still lagging behind budget projections due in large part to the economic slowdown and the depressed energy sector. We therefore intend in the second half of this year to launch an aggressive effort to collect all tax arrears and to enforce compliance. [*Crosstalk*] Yeah. We are hiring them.

Madam Speaker, it will take some time before the full impact of the value added tax reform and the enhanced tax administration efforts are realized. For this reason we will continue to have recourse to one-off capital revenues in the form of extraordinary dividends from state enterprises and divestment proceeds. For example, the interest earned by the Central Bank on the government overdraft will give rise to an increase in profit transfers from the Central Bank in this year of about \$500 million, since after deducting its expenses for the year, the Central Bank pays all of its surplus income back to the Government. In addition, having already received some US \$300 million, almost \$2 billion from TGU, we expect to collect a further US \$255 million, \$1.7 billion from TGU. Madam Speaker— [*Crosstalk*]

Madam Speaker: Members, we understand that there is a specific Standing Order for interruptions. There is a specific Standing Order for Members who are not speaking. I would like us to please abide by the Standing Orders so the hon. Member could continue with his contribution. Please, continue.

Hon. C. Imbert: I do not know why they are screaming so. So we have received \$1.9 billion from TGU. [*Desk thumping*] We expect to get another \$1.7 billion from TGU in the second half of the fiscal year. The sale of some CLICO assets including MHIL will add another \$3 billion in revenue. [*Desk thumping*] Regarding CLICO, it is necessary to briefly explain what has happened with that contentious issue so the public will understand our approach to asset sales and the recovery of the moneys spent on the CLICO bailout. From the information available to me at this time, the Government has spent in excess of \$20 billion bailing out and supporting CLICO. This was done to avoid a systemic collapse of the Trinidad and Tobago economy since CLICO was so large and affected so many people and so many interests, that if it had been allowed to collapse it would have had a severe, adverse effect on the country which we might not have recovered from.

From 2009, the plan always was to consolidate, strengthen and sell or liquidate CLICO's assets to repay the Government for the money that it had put into CLICO, since it is taxpayers' funds that were used to repay the depositors and creditors. For reasons best known to itself, the last Government dragged its feet with this matter. The original plan was to resolve all the issues and repay the Government no later than 2012. However, by 2015 when we came in, all that had occurred in the 2010—2015 period was, as a result of an irresponsible breach of a shareholders agreement, a contentious arbitration and an order by the arbitrator to the previous Government to sell CLICO's methanol shares at a price considered by many to be \$2 billion below market, thus losing billions of dollars in asset value in the process.

In the interim, various CLICO policyholders took the PP Government to court for what they considered to be a breach of trust and a breach of contract. The remaining asset sales were left hanging in the air and we found the CLICO resolution plan in limbo with no purpose or direction consumed by internal power plays, inertia, dithering, apathy and stagnation. As the new Minister of Finance I have restored order [*Desk thumping*] and business common sense to this process. We are now back on track in terms of recovering the \$20 billion of public funds that have been pumped into CLICO.

3.15 p.m.

I have requested the Central Bank, and, Madam Speaker, this money is required for budgetary support. This money from Clico must come into the Central Bank and must be available to the Government to deal with items of

expenditure such as the appropriations that we are speaking about today. It is unbelievable that the former Government just left this thing hanging in the air.

I have requested the Central Bank, with whom I now meet regularly, to dispose strictly in accordance with the shareholders' agreement—[*Continuous interruption and crosstalk*]

Madam Speaker: Proceed.

Hon. C. Imbert: I have requested the Central Bank to dispose of the remaining MHIL shares owned by Clico at the valuation price, which is in the vicinity of \$2 billion, as well as Clico's traditional portfolio of insurance policies and other associated assets valued at approximately \$1 billion. We expect these asset sales to be completed during this fiscal year, since, as Max Senhouse used to say "we need the money".

We have also requested, and by "we" I mean the population of Trinidad and Tobago, the Central Bank to transfer to Government Clico's shares in Angostura, Home Construction and CL World Brands valued at \$ 3 billion more or less and after this transfer, we will take appropriate decisions to dispose of these assets in a sensible and productive manner. With particular reference to lands owned by Angostura and Home Construction, it is the Government's intention to acquire these assets for public purposes such as housing, tourism and infrastructure development. It is also expected that since Clico's Statutory Fund was recovered, that all legitimate creditors and policyholders of Clico that still remain on the books will be repaid in full by the Central Bank during this year, 2016. [*Desk thumping*]

With regard to the other assets held by Clico, such as its shares in Republic Bank, we have requested the Central Bank to start the preparatory work to allow the orderly disposal of these shares in 2017. Members should note this only relates to Clico and in due course I would report on our plans to monetize the other assets held directly by CL Financial, all in the interest of recovering as much of taxpayers' funds as is possible and settling liabilities to policyholders and depositors and getting revenue for the Government so that we can deal with the items of expenditure that we are seeking Parliament's approval to address today.

We must also find ways and means of creating new revenue streams. To bolster the revenue picture and support ongoing efforts to conserve foreign exchange, we intend to introduce the following measures to pay for things like the Children's Authority, to pay for things like the HIV/AIDS Programme, to pay for the management of sporting complexes.

SFC Report (Adoption)
[HON. C. IMBERT]

Friday, April 08, 2016

We intend to introduce, Madam Speaker, a levy of 7 per cent on online purchases of goods and services through the Internet from retail companies resident overseas that are not subject to taxation in Trinidad and Tobago.

Mrs. Persad-Bissessar SC: Sorry, can you repeat that again?

Hon. C. Imbert: Well if you all would not make so much noise, stop making noise, and you will hear.

Mr. Singh: Why not circulate your speech?

Hon. C. Imbert: I will. A levy of 7 per cent on online purchases of goods and services through the Internet from retail companies resident overseas that are not subject to taxation in Trinidad and Tobago, as for example, Walmart, Amazon, Dell, Staples, and so on. This is not a new concept and there is a well-established precedent for a tax of this nature in countries such as the USA, UK and New Zealand. Online purchases are now a significant area of foreign exchange demand, which is putting a strain on our reserves since credit card transactions are settled almost immediately. This tax [*Interruption*]—US \$1 million a day, I am told—is intended to help manage the increase in foreign exchange outflows from online purchases, reduce revenue leakage, assist local manufacturers, and local service companies to compete with overseas retailers. This measure is scheduled to take effect by September 2016 and it will require discussions with the banks and the credit card companies, in order to make it work.

Secondly, Madam Speaker, in order to raise the revenue to deal with all of the matters in this Finance Committee Report, to deal with all of the goods and services and the other items of expenditure, we also intend to increase, by 50 per cent, customs duty and motor vehicle tax on luxury vehicles, starting with private motor vehicles with an engine size exceeding 1999cc. This measure will take effect immediately.

Thirdly, better collection of taxes due from the gaming and gambling industry under existing legislation.

Fourth, increase taxes on alcohol and tobacco products. This measure will take effect in May 2016, after the passage of the Finance Bill (No. 2). However, with all of these measures, including new taxes and improvements in tax administration, revenue receipts will not by themselves achieve the budget estimates. They will not by themselves allow us to spend the money that we are talking about today. It will not allow us to implement the planned expenditure, such as the full amounts of expenditure contemplated by these variations of appropriation.

The revised estimate for current revenue in fiscal 2016 is now \$52.7 billion, as compared to the \$60.3 billion in the original budget estimates, a shortfall of approximately \$7.6 billion. Let me just repeat that. The revised estimate for current revenue, in fiscal 2016, is now \$52.7 billion, as compared to \$60.3 billion in the original budget estimates.

The major shortfalls in revenue include taxes from oil companies at an estimated \$2.4 billion, other companies at \$1 billion and VAT at \$3 billion, due in no small measure to the downturn in the energy sector.

Madam Speaker, while we continue to cut out waste and reduce the cost to Government of goods and services, which spiralled out of control in the last five years, and keep tight controls on spending, Government expenditure in the second half of the year will need to provide for allocations to address the payment of salary arrears to public officers. In this regard, I wish to confirm it is the Government's intention to pay 50 per cent of the outstanding arrears of salary to public officers by the end of June 2016. The remaining 50 per cent will either be paid in interest bearing Government bonds by the end of September or in two further instalments in cash in 2017, at the option of the workers.

Secondly, the Government needs to provide for an increase in capital expenditure to set the platform for future growth.

I come now to the fuel subsidy because the fuel subsidy drains public resources and makes it impossible for us to spend the money that is the subject of the variation of appropriation today. I think it is safe to say there is an emerging view the country can no longer afford this level of expenditure given the sharp reduction in revenues. It is necessary now to initiate a national dialogue on this issue as a matter of priority.

It is not widely known that the fuel subsidy has cost Trinidad and Tobago \$31 billion over the last 10 years; \$31 billion. And as oil prices trended upwards in the 2009 to 2014 period, the subsidy averaged over \$3.5 billion per year. It is also not understood that for years Trinidad and Tobago has imported expensive oil because our refinery capacity is way in excess of our production. We have imported expensive oil, processed it in our refinery and then sold petroleum products to the public at large at a loss. That is what this country has been doing, importing oil from other countries to run the refinery, paying world market prices, refining this oil in our refinery, which we have paid billions of dollars to upgrade, and then selling these petroleum products to the public at a loss. I think it is necessary for people to understand these things. At one stage when the price of oil exceeded \$100, the fuel subsidy cost in excess of \$6 billion in that year.

SFC Report (Adoption)
[HON. C. IMBERT]

Friday, April 08, 2016

A number of studies have also demonstrated that fuel subsidies disproportionately benefit the rich. In fact, based on consumption patterns, the average benefit of the subsidy to low income households could be in the region of \$500 per month, whereas the benefit to upper income households exceeds \$2,000 a month. And it stands to reason, people in the upper income bracket drive bigger cars, they drive luxury cars, they have multiple cars and they consume more fuel.

Fuel subsidies also contribute to traffic congestion, pollution, damage to roads, environmental damage and revenue leakage. In terms of total cost, Trinidad and Tobago has been determined to be among the 12 top fuel subsidizers in the world. This has resulted in smuggling and illegal resale of diesel fuel to foreign pirates.

Even after the adjustment in domestic fuel prices in 2015, the current cost of the fuel subsidy, including arrears remains at close to TT \$600 million. If oil prices rise to the US \$45, which is not an unreasonable assumption, the subsidy will exceed \$850 million for 2016 and if oil prices rise to \$50, the fuel subsidy for this year will exceed \$1 billion. We have to make decisions. Should we spend \$1 billion on subsidizing fuel or should we use it for the very laudable things that we are speaking about today; for spending money on St. Jude's Home for Girls, for spending money on St. Michael's Home for Boys? That is what we have come here to talk about. But where is the money going to come from to spend \$10 million on St. Michael's Home for Boys? These are the things this Parliament has to consider.

We have thus decided, Madam Speaker, to start the process of phasing out the fuel subsidy over time. In so doing, the savings that are achieved will be targeted towards improving our social safety net and introducing measures aimed at reducing cost for low income groups and reducing poverty.

Since diesel is used primarily for public transportation and this absorbs a large part of the income of the lower income groups, in the interest of equity a gradual approach will be taken towards the phasing out of the diesel subsidy and before completely eliminating the subsidy on diesel, the Government will explore all possible options for minimizing the adverse impact on lower income groups. One such measure would be a reduction in taxes paid on the acquisition of maxi-taxis and taxis, thus reducing the cost of public transport vehicles. We plan to introduce these tax reductions for the purchase of maxi-taxis in May of 2016.

Premium gasoline is already unsubsidized, while at an oil price of \$45, the unsubsidized price of super gasoline would be about \$3.61. The proper price of

diesel fuel, which is the fuel most commonly used, is \$3.13 per litre, at an oil price of \$45 per barrel, rising to \$3.45 per litre, at a price of \$50 per barrel.

Accordingly, to kick-start the process of dialogue, the following prices will take immediate effect:

- the price of super gasoline would be increased by 15 per cent to \$3.58 per litre;
- the price of diesel would be similarly increased by 15 per cent to \$2 per litre.

This means that super gasoline will no longer be subsidized at current oil prices, whereas diesel will continue to be subsidized at this time by approximately \$1 per litre.

Madam Speaker, it is the Government's intention over time to introduce a new regime for fuel so that the price of fuel will go up and down, based on the international prices of oil and petroleum products as obtains in most countries. We await the comments of the national community and Members opposite on this proposal.

On the flip side, as part of our energy policy, to help protect the environment, we intend to remove all taxes, all, on CNG, electric and hybrid cars with engine sizes of up to a maximum of 1999cc [*Desk thumping*] and horsepower of 179. So that customs duty, value added tax and motor vehicle tax, we exempt from CNG vehicles, electric vehicles and hybrid cars. "Doh worry dey making smaller vehicles now." The Government will also begin the process of converting all Government vehicles as well as the fast ferries to CNG or alternative fuels.

Madam Speaker, in addition to the measures that we are discussing today, we have also been working on a number of development projects, and I wish to advise the House and the national population of the Government's decision, with respect to the proposed mass transit project because we need to have the money, we need to have the money to deal with the matters that are in the report of the Finance Committee.

3.30 p.m.

As we indicated during the 2015 election campaign, it was our intention upon assuming office to immediately request technical assistance from the Inter-American Development Bank to review the cost and feasibility of this project. We have done so. It has been determined by the experts at the IDB that the proposed

SFC Report (Adoption)
[HON. C. IMBERT]

Friday, April 08, 2016

mass transit system is expensive and not feasible at this time in the present environment of severely depressed energy prices.

If oil was still \$100 per barrel it would be a different story, but with oil at \$37 per barrel we cannot afford as a country to proceed with this project at this time. We shall therefore shift focus towards improving road infrastructure and we will also put more public transportation vehicles on the road, thus facilitating public transport at subsidized prices.

Some of the projects we have identified for immediate implementation, include the Wallerfield to Manzanilla highway, the Curepe interchange, the Valencia to Toco freeway, the upgrade of Moruga Road, the completion of the Point Fortin Highway and the San Fernando to Princes Town highway. Most of these projects have already been designed and are ready for immediate invitation of tenders. Indeed, projects such as the Wallerfield to Manzanilla highway have been ready for construction since as far back as 2010.

We also intend to construct interchanges at all major intersections along the Churchill Roosevelt Highway all the way to Piarco in the first instance, [*Desk thumping*] as well as a number of improvements to heavy traffic areas in and around Chaguanas, [*Desk thumping*] Diego Martin and Tobago among other areas, and San Fernando.

Madam Speaker, as I indicated, the total expenditure for 2016 is now estimated to be \$59 billion. As a result, the fiscal deficit for 2016 is now expected to be about \$6.7 billion, about 4 per cent of GDP. I want to emphasize, however, that current revenue is only expected to be of the order of \$44 billion, whereas expenditure will be of the order of \$59 billion, even with the expenditure cuts and new revenue-raising measures. Therefore, in order to do what we are about today, to deal with the matters in the report of the finance committee, we are still facing a gap between current revenue and expenditure of \$15 billion.

In 2016 we will close this \$15 billion gap with borrowings, one-off items of extraordinary income, such as proceeds from the sale of Clico assets, repayment of past lending from TGU, dividends from NGC, drawdowns from the Heritage and Stabilisation Fund, the proceeds of the Phoenix Park IPO and so on. Our objective, Madam Speaker, is to conserve jobs, protect people's jobs and maintain economic momentum. [*Desk thumping*]

Again, in 2017, we will have to resort to borrowing and further asset sales such as the Republic Bank shares. We will also have to resort to further drawdowns from the Heritage and Stabilisation Fund. By 2018, we must put our

house in order. By 2018, the gap between current revenue and total expenditure must not exceed \$10 billion. All things being equal, therefore, if our revenue does not improve over the next two years we will have to cut national expenditure by 2018 to \$55 billion. I am just letting people know what the hard reality is, Madam Speaker.

Madam Speaker, we must cut our cloths to suit our measure. We cannot continue to spend more than we earn. With specific reference to the heritage fund, it must be emphasized that the purpose of this fund is to offset serious shortfalls in revenue in periods of depressed petroleum prices. It is not as some believe, a trophy to be kept on a shelf. In fact, the legislation that established the heritage fund caters for drawdowns when the revenues from petroleum are lower than projected by a factor of 10 per cent.

At this time, we are now facing a 75 per cent reduction in revenues from petroleum in 2016. The heritage fund was designed to kick in when there was a 10 per cent reduction. We are now facing a 75 per cent reduction in revenues from petroleum. We are therefore way beyond the legal threshold for drawdowns from the heritage fund. And in order to maintain the economic momentum and to preserve jobs, we intend to use the fund if need be for the purpose that it was intended, as have the vast majority of oil-producing countries in the world.

Saudi Arabia, for example, has withdrawn over US \$100 billion in the last 18 months from its sovereign fund, the equivalent of our heritage fund, to make up shortfalls in revenue to protect jobs and to maintain its social programmes. And so shall we, Madam Speaker; we shall use the fund for what it was intended.

Madam Speaker, as stated previously, fiscal management has been further complicated by a significant increase in short-term borrowings. These short-term loans were used to circumvent the Government's financing challenges. As a responsible manager, the new Government is in the process of converting all of these short-term loans into longer-term financing arrangements as part of a more comprehensive debt-management strategy.

You want to know about the plan? All those billion-dollar loans that hon. Members opposite entered into two days before the general election, one week before the general election, all of those short-term loans that matured in January and February and March and April, we are now converting them into five-year and 10-year long-term instruments. You want to hear about a plan? That is our debt-management strategy, not borrow \$2 billion and repay it six months later, crashing the country's ability to spend money.

SFC Report (Adoption)
[HON. C. IMBERT]

Friday, April 08, 2016

Madam Speaker, to stimulate growth the Government also intends to make a concerted effort to activate the domestic capital market. It is part of an integrated strategy to reduce reliance on the Central Bank overdraft for budget financing. The Central Bank and the Ministry of Finance are now working out a schedule of quarterly auctions to raise budgetary financing. The idea is to allow institutional lenders, domestic banks, to better plan their resource allocation strategies and to minimize the present situation where the overdraft is almost at 90 per cent of the limit.

We have to go to the local capital market. We have to borrow money so that we can bring our Central Bank overdraft down to where it is supposed to be, at zero, so that it is used for temporary advances to deal with expenditure, such as is in the report of the finance committee before us today.

In terms of the medium term, we have reconsidered our original target of achieving fiscal balance by 2018. Because of severely depressed oil prices the fiscal adjustment to 2019 or 2020 would seem to be a more realistic target. This objective is predicated on the assumption that GDP growth will begin to recover in 2017 based on an expected rise in gas production, a pick-up in public investment and an increase in private sector activity as consumer and business confidence strengthens and the private sector takes advantage of the incentives that we intend to develop and introduce to stimulate investment in manufacturing, construction and services.

The Comprehensive Tax Reform Programme that this Government has started will gain momentum over the next 12 to 18 months and our plans involve reform of both the energy and the non-energy tax regimes. Reform, in particular, of our energy tax regime has become critical. In 2014, given the prognosis for oil and gas production, the then Government took the decision to amend the oil and gas fiscal regime to allow oil companies to write off their capital expenditure in one year.

These incentives have done what they were intended to do, that is, to stimulate investment in the energy sector, but they have come at a very heavy price. With the dramatic slump in oil and gas prices and with expenditure already committed, the new accelerated capital expenditure write-off, put in place by the former administration, now means that some of the major oil and gas companies may pay no corporation income tax in fiscal 2016. And let me just say, I am not knocking the former Government here. The incentives, Madam Speaker, did what they were supposed to do, they stimulated investment. [*Desk thumping*] But the flip side of that is that with depressed oil prices these oil companies are now paying no

income tax to the Government in fiscal 2016.

Madam Speaker, with oil and gas prices expected to remain depressed, it is important that we accelerate discussions with the energy companies on a suitable fiscal regime that works for everyone, continuing to provide sufficient incentives for investment while recognizing the Government's need for adequate revenues from the country's vital hydrocarbon reserves.

Madam Speaker, we will encourage production in marginal fields, areas of so-called stranded gas, encourage drilling and increase production of oil and gas in general. And we intend to review the penalty imposed by the supplemental petroleum tax on oil prices that are just moderately higher than US \$50 per barrel. Further, with the recently reactivated energy subcommittee of Cabinet, which now meets on a regular basis, decision-making on matters of oil and gas will now be much quicker and far more purposeful than previously. This is especially important since in the short term, after we get over the current slump while we pursue alternative streams of income, the energy sector will continue to be a major source of revenue.

It is thus our hope that the discussions with the energy companies will be successfully completed by September 2016. Most importantly, we hope to reach agreement with the upstream companies in 2016 on new natural gas supply contracts since we recognize the present uncertainty is a serious disincentive to investment.

Madam Speaker, for years the high oil prices masked the weakness in our non-energy tax regime. The decline in oil and gas prices has brought these weaknesses into sharp focus. The most pressing need is for an immediate and significant improvement in tax administration. In most countries the value added tax is a major source of government revenue because of its simplicity. The former administration, in its misguided populist approach, unwisely sought to use VAT as an instrument of social policy by zero-rating 7,000 food items. This ill-advised move damaged the VAT revenue base. You cannot help the poor if you have no revenue. Our administration has taken the sensible route by returning the zero-rated list to only basic food items and by instead providing relief through an increase in personal income tax and increases in pension and security benefits.

In our view, if we are to have the revenue required to spend money on the variations of appropriations we are talking about today, we must not as a country succumb to the temptation to tamper with major revenue streams by sacrificing fiscal prudence and practical common sense on the altar of political expediency.

SFC Report (Adoption)
[HON. C. IMBERT]

Friday, April 08, 2016

Madam Speaker, there is also extremely poor administration of betting and gaming taxes. For example, only three of the estimated 250 private members clubs in Trinidad and Tobago have made the required statutory deposit and the tax on gaming machines is seldom enforced. And I want to stress, this is under the existing law. Only three out of 250 private clubs have made the required statutory deposit, and the tax on gaming machines is seldom enforced. Evidence indicates that while the number of gaming machines has increased exponentially, tax collections have not increased. We therefore intend to launch a concerted effort to increase tax administration.

We intend to strengthen the Board of Inland Revenue, reform its systems, make it more agile, more proactive. The Board of Inland Revenue needs to go out and collect the nation's taxes. It needs to deliver tax assessments more expeditiously. The BIR also needs to pay refunds more promptly as the delay in tax refunds, especially VAT refunds, has the potential to stifle growth and suppress businesses. We are thus seriously considering reducing the statutory period for an acceptable delay in VAT refunds from the present six months to three months. We think it is necessary to force the Board of Inland Revenue to pay refunds on a timely basis. [*Desk thumping*]

Madam Speaker, preparations are also well in train for the introduction of a comprehensive property tax. As indicated in the budget speech we will bring legislation to allow Government to collect the amount payable under the old land and building taxes regime for 2009. We are fully aware that at this time land and property valuations are incomplete and it is quite possible that up to 40 per cent of the properties in Trinidad and Tobago have not yet been assessed. However, a team is currently in the field doing assessments and we expect that 100 per cent of property assessments will be completed in 2017 when the property tax can be fully implemented.

So that for this year, and this year only, what we will collect is the same amount of tax paid by people that they paid in 2009.

3.45 p.m.

Madam Speaker, expenditure restraint is also important. We plan to focus on rationalizing social programmes, improving the effectiveness of existing short-term employment programmes and constraining the growth of transfers and subsidies. CEPEP and URP have turned out to be very expensive, inefficient programmes. These programmes have grown from a combined cost of just over \$400 million in the 2004/2005 era to \$1.3 billion in 2015. CEPEP alone doubled between 2010 and 2015.

While these programmes provide employment, there is no doubt that the output generated cannot justify this level of expenditure. There is ample evidence to suggest that these programmes have distorted the labour market and that many people prefer to remain in these relatively low productivity programmes rather than take up more demanding but higher paid jobs in the private sector. CEPEP, in particular, was never intended to be a permanent programme. Rather, in its original concept, CEPEP was to be a business incubator providing Government assistance for three to four years, after which the CEPEP contractor was expected to operate in the private sector without Government's support. We intend to return the programme to its original moorings. Starting in fiscal 2017, the Government's direct support for contractors in CEPEP will be reduced over time to encourage CEPEP contractors to become entrepreneurs.

The URP, which consumed over \$600 million in dubious expenditure last year, will also be restructured, shifting its focus from maintenance activities of questionable value to substantive community construction projects and other infrastructure projects with clearly defined outputs. In rural areas, the focus of URP will be on agricultural production. We must insist we get value for money and productivity in URP, otherwise this will just be yet another area of wastage and leakage.

And with respect to GATE—and when you add up GATE, URP and CEPEP, Madam Speaker, you cross \$2 billion per year. The Government has already established a high level committee to examine the reform of the GATE Programme. GATE now consumes over \$600 million per year and now that we have achieved a significant increase in the tertiary education participation rate, from 11 per cent in 2001 to an estimated 55 per cent in 2015, it is time for the programme to conserve expenditure. Sixty per cent, no problem, and make a paradigm shift towards a better alignment with the country's development needs, coupled with the introduction of some form of means testing. The GATE committee is expected to report by July, with changes going into effect in the next academic year.

Madam Speaker, again, in order to raise the revenue to deal with the items of expenditure that are before us today, diversification is absolutely critical to ensure long-term economic growth. Earlier PNM administrations achieved record-breaking success in diversifying our energy sector, but it may be argued that, as a country, we paid inadequate attention to diversifying the economy. We are now committed to doing that. It will be a long and difficult process. You cannot diversify overnight. You need to set the preconditions for economic diversification. *[Interruption]*

SFC Report (Adoption)
[HON. C. IMBERT]

Friday, April 08, 2016

Madam Speaker, I do not mind the constant “Where is the plan?”, but could you ask hon. Members just to tone it down?

Madam Speaker: Hon. Members. Hon. Members, I assure you everybody will have their opportunity to speak as their turn requires, so if we can have some level—well, not total silence, but some control, so that we can hear the presentation. Proceed.

Hon. C. Imbert: Okay, Madam Speaker. As I said, diversification is difficult. You need to set the preconditions. These include macroeconomic stability, the right mix of incentives, modern infrastructure and a socioeconomic environment that is attractive to domestic and foreign investors. We are making steady progress in all of these areas and we are working tirelessly to address issues that affect investment, such as crime and corruption.

Madam Speaker, I mentioned in October that our diversification strategy would centre around international financial services, tourism and related maritime activities. We have now begun discussions with foreign investors on a set of integrated projects comprising an expanded International Financial Centre, a five-star hotel and a convention centre located in Invaders Bay, coupled with a new commercial port, maritime and shipbuilding complex, industrial park and free zone development to be located south of the Beetham. The landfill activities now associated with the Port of Spain dump will thus be relocated to make way for these new industrial developments, giving a lift to a depressed area of the city.

In tandem, we will aggressively promote recycling, incineration of waste and waste-to-energy projects. The International Financial Centre may include one or more Chinese banks as anchor tenants, dedicated to servicing China’s considerable lending programmes in Latin America and the Caribbean. The presence of these Chinese institutions should also serve as a strong attraction for other international banks to the International Financial Centre. The existing International Financial Centre will continue to focus on back office operations, business process, outsourcing and capital market activity.

The manufacturing sector is also targeted to play a major role in diversification. Local manufacturers have indicated that uncertainties about foreign exchange, low labour productivity are major setbacks to manufacturing investment. Accordingly, the Government, as we heard today, will soon start negotiations for a US dollar credit line to be channelled through the TT Eximbank to provide raw material funding for export manufacturing. We need to encourage our manufacturers to become net earners of foreign exchange, as many of them already are.

We also intend to introduce incentives to investment in the manufacturing sector along similar lines to the energy sector, such as an allowance for accelerated depreciation. Moreover, the Government recently established the National Tripartite Advisory Council, one of whose objectives is the development of a national campaign on productivity and a proper work ethic.

Several programmes are also being implemented to expand agricultural productions. And in order to promote linkages with the manufacturing sector, it is our intention to give tax holidays and other incentives to agricultural processing industries—[*Desk thumping*]*—tax holidays for agro-processors. Further—and I know my hon. colleague from Tabaquite might want to hear this—the present concessions for the construction of multi-storey car parks and commercial buildings will now be extended to 2025, because we recognize that private investors need time to plan. And may I disclose, Madam Speaker, I have, in the past, been involved in property development and I may, in the future, be involved in property development. I wish to disclose this fact. [Crosstalk] But we are extending the construction of multi-storey car parks and commercial buildings to 2025, because we recognize that private investors need time to plan. These concessions currently involve tax—[Interruption] Madam Speaker, what—*

Hon. Member: “Dey hearing so much plan, dey get stupid.”

Hon. C. Imbert: Madam Speaker, the current concessions currently involve tax holidays on income from property rentals and property sales. However, we recognize it can take up to seven years to complete a major building project from conceptualization to completion of construction and commissioning of facilities, hence the reason to extend the concessions to the year 2025.

To stimulate housing construction—and I know the Member for Tabaquite is interested in this—we also intend to include in the tax concessions—and also extend this to 2025—the construction of multi-family residential buildings. [*Desk thumping*] We are also putting in place all of the systems to authorize, certify and approve, approved developers who would enjoy these tax concessions for multi-storey car parks, commercial buildings and multi-family residential developments.

We are also considering Government grants and other incentives to motivate the private sector to get involved in urban renewal and rural development in designated areas, dealing with matters such as slum clearance and dealing with under-developed areas in the country. These measures will take effect next month with the passage of the Finance (No. 2) Bill.

SFC Report (Adoption)
[HON. C. IMBERT]

Friday, April 08, 2016

Now, Madam Speaker, I come to foreign exchange. Madam Speaker, the Government, working in collaboration with the Central Bank, is committed to strengthening confidence in the foreign exchange regime. The dramatic fall in energy receipts has created a severe imbalance in the supply and demand for foreign exchange. While over the last six to 12 months, and especially over the last six months, our net foreign reserves have remained stable at approximately \$9.5 billion to \$9.6 billion, hon. Member for Caroni East, they have not changed. They have not moved once inch since September 2015. Our net foreign reserves have remained stable at approximately \$9.5 billion to \$9.6 billion, equivalent to 11 months of import cover. Other factors, such as the sharp increase in bank credit, particularly for automobiles, undoubtedly some capital flight, and the widespread availability of credit cards for online shopping, have added pressures in the foreign exchange market.

In response to these pressures, the Central Bank has sought to stabilize the market by intervening at regular intervals and by allowing the exchange rate to adjust. It should be noted that we are far ahead of other countries in the Caribbean in terms of our foreign reserves. Some countries have a mere three months of import cover, as compared to our 11 months of import cover.

Hon. Member: We left it there.

Hon. C. Imbert: Madam Speaker, I wish to give the national population the assurance, we do not intend to allow our currency to become unstable. The Government will intervene, as and when necessary, to defend and stabilize our exchange rate. Other oil-producing countries have suffered rapid and dramatic currency devaluations over the last 12 months as a result of the collapse of oil prices. In some oil-based economies, including wealthy Middle East oil-producing countries, currency devaluations of up to 30 per cent have occurred almost overnight.

Closer to home, the Venezuelan Bolivar was allowed to depreciate by 70 per cent—7-0—in one day in February 2016, just two months ago. Let me repeat that. The Venezuelan Bolivar, the currency of another oil-producing country—*[Crosstalk]*

Dr. Gopeesingh: IMF taking us there.

Hon. C. Imbert: Madam Speaker—

Madam Speaker: Members, could we please allow the hon. Minister to finish his contribution? I assure you, his speaking time is not much longer.

Hon. Member: Thank God.

Hon. C. Imbert: Thank you, Madam Speaker. As I said, the Bolivar was allowed to depreciate by 70 per cent in one day in February 2016, just two months ago. This has not happened here. Instead, over the last six months, the rate of exchange of the Trinidad and Tobago dollar to the US dollar has depreciated by only 3.7 per cent, from \$6.37 to US \$1 in September 2015, to TT \$6.61 to US \$1 in April 2016. That is a 3.7 per cent depreciation. And contrary to popular belief, this has not happened by chance. This adjustment, or resetting of the exchange rate has been carefully managed by the Central Bank—*[Interruption]*—yes, it has—based on a pragmatic approach to supply and demand for foreign currency and wider macroeconomic factors.

It is not widely known, Madam Speaker—although the data is readily available on the Central Bank's website—that the amount of foreign exchange that has been available in the commercial banking sector in Trinidad and Tobago has increased significantly over the last five years, from US \$5.5 billion in 2010 to US \$7.4 billion in 2015. Further, while convergence of foreign exchange by the private sector has decreased, the Central Bank has been injecting more and more foreign exchange into the system.

In 2015, for example, the Central Bank injected US \$2.6 billion into the system, compared to US \$1.5 billion in 2010. And so, while the general perception is that there is a dire shortage of foreign exchange, the reality is—that is up to December 2005—that more and more foreign exchange has been made available over the last five years. And looking at the figures last night, Madam Speaker, the Central Bank has already injected in excess of US \$300 million into the commercial banking system for the first three months of 2016.

Mrs. Persad-Bissessar SC: Why we cannot get it?

Hon. C. Imbert: Madam Speaker, when one drills deeper—*[Interruption]*

Mrs. Persad-Bissessar SC: You hoarding? You hoarding?

Hon. C. Imbert: Madam Speaker, I am nearly finished. Could you ask them to keep quiet, please?

Madam Speaker: Hon. Member, I know you are not easily destabilized. Please proceed. *[Crosstalk]* Members, please. And this applies to all Members. Could we please have a little silence for the hon. Minister to proceed?

4.00 p.m.

Hon. C. Imbert: Madam Speaker, in private—*[Interruption]* Be quiet, Member for Caroni East. Madam Speaker, in Prime Minister's Questions today there were four questions on foreign exchange, with about 10 supplemental questions, yet now when the Government is telling them what we intend to do about foreign exchange they are babbling like babies. I ask for your protection, Madam Speaker. *[Desk thumping]*

Madam Speaker, when one—*[Interruption]*—Be quiet!—when one drills deeper and sees that our nominal GDP in 2015 at market prices is the same as it was in 2012, that is to say, our nominal GDP—and I make the distinction here between real GDP and nominal GDP. In 2015 at market prices, or current prices, it is the same as it was in 2012—that is, \$165 billion, the reasons for the shortage of foreign exchange become more elusive. In fact, it is counter-intuitive that the demand for foreign exchange is increasing so dramatically when our nominal GDP is the same now as it was three years ago. So nominal GDP has remained the same, but the demand for foreign exchange is increasing exponentially.

The logical conclusion, therefore, is that uncertainty about our exchange rate is fuelling demand and giving rise to speculation and some degree of hoarding. What we as a country need instead, therefore, is a level of certainty and confidence so that persons who are holding foreign exchange in overseas accounts feel comfortable enough to repatriate their foreign exchange. It is my intention, therefore, to put an end to the current speculation.

Over the last six months, our exchange rate has moved 3.7 per cent from 6.37 TT dollars to 1 US dollar, to the present 6.61 TT dollars to 1 US dollar. As Minister of Finance, I am of the view, after consideration of all relevant factors and after seeking the advice of experts, both locally and abroad, that our exchange rate should not fluctuate at this time by more than 7 per cent from the rate of exchange that prevailed in September 2015. Appropriate measures will therefore be taken to ensure that our exchange rate does not move by more than a further 3.3 per cent from today's rate.

We will thus utilize a combination of fiscal and monetary policies to manage foreign exchange demand and supply, allowing the exchange rate to adjust in response to demand, prudently utilizing our foreign reserves and considerable foreign exchange buffers to make adequate supplies of foreign exchange available, while at the same time staying within 7 per cent of the exchange rate that prevailed in September 2015.

Dr. Gopeesingh: Up to what time?

Hon. C. Imbert: It is also my intention, as Minister of Finance, to continue discussions with the commercial banks, with a view to arriving at some form of consensus on guidelines for the distribution of foreign exchange that will see priority being given to trade, inputs into manufacturing, medical expenses, [*Desk thumping*] tuition fees and the like, as well as greater availability of foreign exchange for small and medium-size businesses.

We have done our research and it is clear to us that the people who are hurting are individuals, small and medium-size businesses, people who require foreign exchange for medical expenses, tuition fees for their children and so on. So we are going to have discussions with the commercial banks, with a view to arriving at consensus on guidelines for the distribution of foreign exchange from now on.

To sum up, Madam Speaker, we are in difficult times. Our economy has been dealt a heavy blow, but as you have heard, Madam Speaker, this Government has a plan to earn the revenue that we need to maintain jobs, to preserve jobs and to maintain economic momentum. Our plan involves spreading the burden of adjustment across the society and getting used to the fact, as the economists like to say, that we are in an era of a new normal. We are now in a situation where we can no longer depend on oil to save us. We must now turn to the non-oil sector—to manufacturing, to commerce, to tourism, to trade in services, to maintain our standard of living, protect jobs and achieve our national development objectives. Most importantly, we must now cut our cloth to suit our measure. We can no longer operate, as the locals say, with champagne taste and mauby pocket.

The Government stands ready to work with all social partners to achieve this paradigm shift. But I have confidence, Madam Speaker, in the resilience and creativity of our people, including hon. Members opposite, and I am certain that we can do this if we all strive to work together. And finally, Madam Speaker—*[Interruption]*

Mrs. Persad-Bissessar SC: Do it together.

Hon. C. Imbert:—we can all do this together.

And finally, in the few minutes remaining to me, finally, I simply wish to reiterate that the Report of the Finance Committee deals with a realignment of departments, agencies and programmes—movements of funds by authority of the *Gazette* from the Ministry of Community Development, Culture and the Arts to the Ministry of Sport and Youth Affairs; from the Ministry of Community

SFC Report (Adoption)
[HON. C. IMBERT]

Friday, April 08, 2016

Development, Culture and the Arts to the Office of the Prime Minister; from the Ministry of Education to the Ministry of Labour and Small Enterprise Development; from the Ministry of Health to the Office of the Prime Minister; from the Ministry of Social Development and Family Services again to the Office of the Prime Minister, the important divisions of gender and child development.

Madam Speaker, on page 7 of the report, the decreases in appropriation are \$413,233,000 for the Ministry of Education; \$6,000,000 for the Ministry of Health; \$16,000,000 for the Ministry of Housing and Urban Development; \$10,000,000 for the Ministry of Sport and Youth Affairs; \$114,201,129 from the Ministry of Social Development and Family Services.

Increases are: \$16,000,000 for the Parliament—a matter was drawn to my attention that we did not have enough money to finance constituency offices, and I would ask, Madam Speaker, that the guidelines be strictly enforced from now on—\$122,661,129 moved to the Office of the Prime Minister; \$40,000 to the Ministry of National Security; \$374,000,000 for the Ministry of Labour and Small Enterprise Development for the On-the-Job Training Programme; \$7,500,000 to the Ministry of Community Development, Culture and the Arts; and \$39,233,000 to the Ministry of Planning and Development. A shift in expenditure, a movement in expenditure of \$559,434,129.

And as I close, I wish to point out that if I had not told this House how we plan to raise the revenue to make these expenditures, then this debate would have been done in a sterile vacuum.

I beg to move, Madam Speaker. [*Desk thumping*]

Question proposed.

Madam Speaker: Before I call on the first Member opposite to speak, I would just like to remind that the mover of the Motion spoke for 88 minutes, and the same time period would be allowed to the first speaker on the opposite side. Member for Siparia.

Mrs. Kamla Persad-Bissessar SC (Siparia): Thank you very much, hon. Speaker. Today, as the Minister has indicated, we are gathered in this Chamber to do the people's business as elected representatives of the people to do our constitutional duty, make law for the peace, order and good Government. That is our constitutional duty here, and that is what we are here engaged in. But on the outside, the people of the country, the people we all represent, they are waiting, some with anticipation and some with great fear, to see what these deliberations today will result in.

Will they bring an improvement in the quality of their lives? Will these measures help them to better feed their families, to feed their children? Will these measures help those, about 8,000 persons, who have lost their jobs; will it help them? Will any of these measures we are engaged in here today? That is what they want to know, Madam Speaker. I sat here, it was more like it was like a *déjà vu* because up to this morning I was reading this budget statement, October, and all that we are getting is the same Anansi story, [*Desk thumping*] we will do this, we will do that, we will bring this, we are considering this and that, and none of it, or maybe 1 per cent maybe, has been implemented in terms of what was said.

So what we are seeing really, when the hon. Minister says the Government has a plan, it is clear that their plan is tax and spend, tax and spend, tax and spend, [*Desk thumping*] with no real proposals, with no real implementation. No real implementation of ways in which to increase revenue, in ways which we can increase revenue streams, and still remain dependent on the energy sector. So the proposals the hon. Minister has given us, really in my respectful view, takes us nowhere better off than we were [*Desk thumping*] when budget 2016, in October, was read.

You know, Madam Speaker, it is said that we operate in this country and the law of the land is *lex domicilii*, but the law of the Parliament is *lex parliamenti*, and it is said that the guardian of the constitution of the laws is the Supreme Court, but the guardian of *lex parliamenti* it is indeed the hon. Speaker, and the hon. Speaker, today, gave a ruling which we respect. The hon. Speaker allowed the Standing Orders to be waived to allow the hon. Minister to speak for the 90 minutes and, fair enough, I know the country wanted to hear the hon. Minister, but I think the ambushing in a sense is the danger that we are facing.

The hon. Minister presents facts and figures and numbers and all kinds of proposals, speeding through them, speeding through those things so that we do not have the benefit of the time to properly respond. [*Desk thumping*] This hon. Minister attempted to give really what could be termed a national budget. And even for a national budget in this Parliament, it has always been that the Opposition is given time and days to consider the proposals [*Desk thumping*] so that there can be a fair response, taking into account all that has been said.

There are no documents before us for the proposals the Minister has brought. In a national budget there are those proposals. Hon. Madam Speaker, when it is that you are dealing with a budget you go into all of it, when you are dealing with the Finance Committee Report then you are confined to the Heads of the estimate. [*Desk thumping*] Standing Order 88 is very clear, you are confined to dealing with

the specific Heads of estimates and no general principle is to be allowed. That obviously did not happen. As I say, that was the ruling of the hon. Speaker. You remain the guardian of the *lex parliamenti* in these proceedings. But I will attempt to answer as much as I could recall from what he said over that 90 minutes.

I do not have even the benefit of his speech to allow us to respond. They speeding like a rapid rail. He was rapid railing down the road, speeding through the Parliament, [*Desk thumping*] wrecking down the streets in terms of what he brought us. So here we are then. Here we are then when I say—I am sure we will have a little time and I will come back and point out the exact pages in the budget speech given in October 2015, which are identical to the measures that the Minister is now saying they proposed. [*Desk thumping*]

What we are engaged in today is the mid-year review and there is nothing unprecedented in a mid-year review. The Minister himself pointed it out. Almost every budget since our republican Parliament came into being, from since 1976, every budget has its mid-year review so nothing is wrong with that. What happens is that there can be different forms of a mid-year review. You can have there a variation only, which means that you are just shifting items of expenditure from one place to the next.

4.15 p.m.

You can have a supplementary appropriation where you are looking for new money, bringing in additional money, or you can have a combination of a variation and supplementation. In this case, we are dealing only with a supplementation and at the end of the day—[*Interruption*] No supplementation, we are dealing only with a variation. So at the end of these proceedings, Madam Speaker, nothing would have changed. [*Desk thumping*] Absolutely nothing would have changed and that is to say you will just be approving—shifting moneys from one Head of expenditure, for example, from the Ministry of Social Development and Family Services to the Office of the Prime Minister, from education to labour in the case of the OJT and so on.

Nothing has changed, not a single cent from the 2016 Budget has been cut. We were told there would be cuts in expenditure. This big mid-term review, we are all waiting on mid-year review, that there would have been cuts in expenditure but at the end of today's proceedings, the appropriation remains exactly the same [*Desk thumping*] that was appropriated in October 2015. It is the identical appropriation. And so, Government has come again with a statement of intent. What the hon. Minister has said is a statement of intent. We will consider this, we will consider that; we will do this and that.

The only one that may well be changed after today that will take immediate effect is the increase in the cost of fuel. That is going—the Minister said, immediate effect. And why the Minister can do that? It is because it does not require legislation and therefore does not require the Parliament. It can be done by order. The order is not subsidiary legislation. It is not subject to any affirmative or negative resolution of the Parliament so that takes effect immediately.

But when we look at all the other matters being addressed, we are being told that we will have incentives for the manufacturing sector. We were told this in October last year in the budget statement. We were told that discussions would be held with the stakeholders, consultations; and that by February of this year, that the Government would come back with Finance Bill No. 2 to deal with matters relating to giving incentives and other structures, to have more manufacturing, to grow the manufacturing sector, to grow that sector in Trinidad and Tobago, to help to reduce our dependency on the energy sector.

That being the case, hon. Speaker, it is again merely a statement of intent until it comes and so it is the same with all of those issues if we look at the issues the hon. Minister addressed. The hon. Minister speaks of the property tax. In October 2015, the hon. Minister told us, in budget speech, that yes, we will be bringing the property tax but in the sense that it will be the same that was paid before the Property Tax Act was passed. It will be the same \$100 if you are paying \$100. He comes back and tells us that again today and says look, that is how I am going to—nothing new, but you know what? That requires legislation [*Desk thumping*] so it is not going to happen today. It will not happen when we finish in this Parliament today that this alternative revenue—[*Interruption*] And you know, just like the Member for Arouca/Maloney, I do not need a chorus from the Member for San Fernando West.

Madam Speaker: Members, I am on my legs. I would like to hear the contribution from the Leader of the Opposition, please. Continue please, Member for Siparia.

Mrs. K. Persad-Bissessar SC: Thank you, Madam. In terms of the issues, the hon. Minister spoke about increasing revenue streams coming from the property tax which I just mentioned. In October 2015, the Minister said that he will deal with the gaming industry. Again that also, six months later, still has not come to the Parliament, it requires legislation as well. So the *déjà vu* budget that we are looking at in this review is merely, as I said before, a statement of intent.

When we consider what has happened here, why is this mid-year review different? I have said this—we have had them before. And the reason has been

SFC Report (Adoption)
[MRS. PERSAD-BISSESSAR SC]

Friday, April 08, 2016

because Government in 2015, in October, in dealing with their budget, they referred to this mid-year review as being the time when we will see the real budget. We saw it as being the real budget. They talked about the mid-year review as if every failure will finally get a credible explanation. The mid-year review was held out to be like, you know, the cure-all for all the ills that they had discovered when they dealt with Budget 2016.

In delivering that 2016 Budget, the Minister of Finance said and I quote from page 17:

“...over the next six months, we plan to hold a series of consultations with all main stakeholders and with the country at large on the state of the economy and on the financial challenges and opportunities we face, as a country.”

And he continued:

“Coming out of these consultations, we shall make appropriate budgetary adjustments, if required, at the time of the normal mid-year Review...”

And so the question arises: what consultations were held? With whom? Where? When? How many such consultations were held? The Minister then said as well in 2016 Budget:

“After consultation with all...major stakeholders and in particular the construction industry, I propose to introduce a comprehensive and workable tax incentive framework for such facilities at the time of the mid-year review...”

The Minister is saying exactly the same thing in this presentation here today about having tax incentive framework to assist in the construction industry.

Madam Speaker, in terms of consultations, it is clear that none was held. Or if any, maybe, consultations with respect to education. I will come back to that. And we see where one of their good friends from the trade union sector is, in fact, calling for—indicating that there have been no consultations with civil society, with the trade unions [*Desk thumping*] but the Minister promised for six months—they will be holding consultations for six months and this is reported in the newspaper today. I think this is the *Guardian*, Joseph Remy when he said:

“...the nation will have to wait to see what the Government will do with the fuel subsidy...”—and so on.

He said:

“There has been no consultation...”—before the budget review.

Another one of their good friends, the JTUM—[*Interruption*] Your good friends in the trade union movement, they are also complaining bitterly that no consultations were held.

So an assurance given in the Budget 2016 last year, assurances were not kept up and even where consultations were held, as in the education sector, consultations were held, we see and I need to ask whether the adjustments in the budget as contained in the Standing Finance Committee Report, whether those consultations resulted in the movement of \$413 million out of the vote of the Ministry of Education; \$413 million moved from education. Was that the result of the education consultations? Was that a recommendation coming out of those consultations or any findings? That was not the case.

Because you see, that—it is \$412 million taken away from the Ministry of Education, so you have decreased that. That is the only adjustment made to the budgetary measures with respect to the Ministry of Education. When the Government cut the School Feeding Programme, it was covered in the *Trinidad Guardian* on October 20, 2015, a question by the then MP for Caroni East was also carried, covered in that story, and the question was about the laptop computers for Form 1 students. According to that report, the education Minister said there was a \$45 million allocation for laptops but that the review was being pursued. We ask, today, what is the status of that review and was it because of that review that you took away \$413 million out of the Ministry of Education?

Further, when questions were asked about funding for security at schools, the same *Guardian* report quoted the education Minister as saying and I quote:

“Garcia said if there was need for more funding that would be dealt with in the mid-term review.”

Here we come to the mid-term review, nothing. Removal of moneys from the Ministry of Education. Clearly, the Ministry of Education felt there was no need for more funding for MOU since moneys were being taken away. The textbooks as well, the cut in the textbook provision. [*Interruption*] Hon. Madam, “do so doh like so yuh know”. I mean, I really think the Minister of Finance spoke long enough and should allow someone else an opportunity and he is ably aided and abetted by the—

Madam Speaker: Member for Siparia, please, I am on my legs. Members, I know we have had a lengthy period—[*Continuous interruption*] Members, please. It will soon be teatime, could you all please contain yourself and allow the Member for Siparia to continue her contribution? Please continue.

Mrs. K. Persad-Bissessar SC: Thank you very much. [*Desk thumping*] And so, did the education consultations that were held, did they, within that, recommend that the OJT Programme for, what is it, 274, \$374 million should be taken out of the Ministry of Education? Where did that come from? So no consultation, recommendations are not being adhered to, nothing being dealt with.

And then we come to see in the fight against crime, we see the Ministry of National Security is being given \$40,000. Because the Minister of Finance has said we will do an assessment, we will do reviews and so on and where it is necessary, we will make budgetary changes. The only budgetary change made for the Ministry of National Security is to give them \$40,000. And here it is today, we have officers who served and who have been killed in the line of duty and you cannot find the money to pay them. [*Desk thumping*] You cannot find the money to pay them and we hurt with those families. Because I remember distinctly instructing Minister Howai that he must put that provision in the budget. And then I see the Minister hold the baby, crying like a baby, you all did not do nothing. Look, you have been there for seven months, seven months you were in charge, [*Desk thumping*] pay the families of the police officers. Pay the families of PC Russel Ramnarine, PC Benjamin; pay their families the money. You cannot sit after seven months and put your hands up in the air and say, look you all did not do any paperwork.

When you had to find money to buy paintings, you did not have a problem with that; [*Desk thumping*] you had no problem with that. To find millions to buy paintings, there was not a problem. And I know we left nothing there to deal with buying paintings and therefore, if you want to do it, you can do it and you can do it overnight. You can go to Cabinet, you can go with a Cabinet Note and you could say pay the families of these officers who have served their country. So you take out all this money, you move it from one Ministry to another and, at end of the day, of today, the budget allocations and appropriations remain the same.

Madam Speaker, we must take it as well beyond the consultations, we must take it outside of the consultations because you have not followed your own mandate, your own assurance, that you will have consultations for six months and make budgetary changes. Not a single one of the budgetary changes today have resulted from any consultation. They have all come from the prerogative of the Prime Minister through legal notices, through *Gazette*, through advising the President what items should be placed on a Minister's portfolio. [*Desk thumping*] That is purely the jurisdiction of the Prime Minister as is the Prime Minister's right.

So therefore, there was not a single consultation to inform the movement of OJT from education into labour. There was not a single consultation to move the Children's Authority from social development to the Office of the Prime Minister. All of that was done by the *Gazettes* in December and—the first *Gazette* in September when the first portfolios were assigned and thereafter the Prime Minister, in his wisdom, advised His Excellency to shift items from one portfolio to another, and that is the only reason that these changes in the budget estimates are being dealt with here today.

As it is said in the Standing Finance Committee Report, in its notes and in the report itself, is to bring alignment of Ministries with their portfolios. So not a new cent, not a new project, not a new programme, not a new unit, not a new agency. Everything, when we finish today, when this measure is proceeded with, remains exactly the same, except, as I say, for the taxes. And through you, Madam Speaker, in all fairness—[*Interruption*]

Madam Speaker: Hon. Member.

Mrs. K. Persad-Bissessar SC: If I may? One second. In all fairness, if the hon.—[*Interruption*]

Madam Speaker: You wish to expend beyond the 4.30—

Mrs. K. Persad-Bissessar SC: No, no, we will abide with your—that we could go.

Madam Speaker: Well, it is 4.30 p.m.

Mrs. K. Persad-Bissessar SC: Can I just ask, in the interim, if the Minister could share his speech with us? Sorry, Madam Speaker. As we go into the break, we have not had any opportunity to look at his numbers and to look at his proposal, if he can share with us the statement, which is normally circulated in any case.

Madam Speaker: Hon. Members, may I suggest that we take the suspension now. We will return in 30 minutes.

4.30 p.m.: *Sitting suspended.*

5.00 p.m.: *Sitting resumed.*

Madam Speaker: Member for Siparia, you have 67 minutes left.

Mrs. K. Persad-Bissessar SC: Thank you very much. Hon. Madam Speaker, I just want to repeat the point as we were speeding through the minutes before the

tea break, that the Opposition really views with great concern the manner in which this debate has proceeded, given the fact that we had no notice of all the measures that the Minister has been doing and to make the point that even for a national budget, the Opposition, as representatives of the people, is given that opportunity of having the notice, having documentation and being able to properly represent various views on policy matters that are coming by way of the Parliament. So I just want to repeat that point, as we strive forward with the limited information we now have and the fact that as I walked into the Chamber I got a copy of the Minister's speech. It means, therefore, I have not had any chance to read it whatsoever and would have to really bear out from my own memory, which is not too bad a memory and I would try my best [*Desk thumping*] to do justice to the comments that were made by the hon. Minister.

Madam Speaker, I think one hallmark of the presentation of the hon. Minister is that whilst the Minister acknowledges that he would engage in dialogue and engage in consultations to reach to a decision-making point, he gives the decision before the consultation has taken place. [*Desk thumping*]

So one example, the hon. Minister told us that he will start the dialogue on the fuel subsidy. By doing what? By giving a decision. He gave the decision. Now initially when he spoke about the midterm review and what will happen with the fuel subsidy, he said he will start a dialogue by the midterm review. Of course, that dialogue has not taken place. So his assurances in October 2016, he has not kept that assurance. And then he comes today and he says I will kick-start the dialogue by increasing the price of diesel and increasing the price of super gas. So a decision has already been taken but he is now kick-starting the dialogue. Dialogue with whom, when, where? Again, no consultations were held. And this is a measure.

Diesel, for example, is the fuel used by most of the people involved in the commercial sector, not just the maxi-taxis and so on. You will see construction workers, delivery trucks. In every sector it is diesel that is used for the bulk of the transportation in the country and when the diesel is raised then you are going to put a price increase of every single good and service, every single item, everything agriculture, every arena. And the Minister attempts to counterbalance that by saying: you know what? We would find some tax incentives and so on or reduction of tax or no tax for maxi-taxis, if I am not mistaken. But that does not take effect immediately, and given the history of the Minister's statements and assurances and utterances, given as long ago as October last year, they do not come through. [*Desk thumping*] They talk the talk but they do not walk the talk as

well. They talk the talk all the time. That is why I used the word Anansi story. It sounds right, it sounds goods. We must be doing this.

You know, I looked at the hon. Minister. I have known him for quite a time because we have been in the Parliament for quite—this Tenth Parliament, Eleventh Parliament now and perhaps even before that, and the hon. Minister was, even in his own body language and demeanour and in his voice appeared to be most unconvinced himself that he could not convince— [*Desk thumping*] His entire body language is like if he is trying to convince himself and thereby trying to convince people. When he came in, you know, already you have waived the Standing Orders, you know you are going to deal with it, but kept coming back in a very mischievous manner to say: and this is how we would find the money for the expenditure in the Standing Finance Report. I mean, it was totally uncalled for.

I think the Parliament accepted the country wanted to hear about these measures. Okay, go ahead. There was no need for him to resort to what could be seen as a kind of trickery, in a sense, by fiction. I do not want to call the Minister dishonest, but to come in a pretence and a disguise. Okay, and this has to do with, to pay for OJT, to pay for IMA, to pay for the—and he kept saying: and the Children's Authority, and the Children's Authority and the Children's Authority. Yet, then in the Finance Committee and up to today he cannot tell us one thing about what work has been done in that Children's Authority, what work has been done to help the children in this country. Not a thing could be said about that but he keeps repeating that to justify going off on his own frolic on a matter, according to Standing Order 88, that has to deal with the specifics of this Bill.

But then he has opened up the entire debate for everyone else. And I am sure, Madam Speaker, as I said, as the guardian of the *lex parliamentari* and of the Standing Orders, that equal leeway would be given to every Member. [*Desk thumping*] Because, I am sure, Madam Speaker, that you are concerned about justice and fairness and, therefore, every Member would likewise be allowed to go outside the four corners of Standing Order 88 to deal with issues raised by the hon. Member.

To come back again, I am saying the hallmark of the presentation, and I have given the example of a decision being made even as you are saying you have to do consultations and studies, and so on.

The second thing that came out here today, in like manner, had to do with GATE. The hon. Minister indicated that a committee had been set up to review

SFC Report (Adoption)
[MRS. PERSAD-BISSESSAR SC]

Friday, April 08, 2016

GATE, to study GATE and make recommendations and that report is due, I think he had said, by July of the year. And in that same breath he announces that the GATE will now be subject to a means test. So these decisions are taken upfront and then you are saying you would engage in dialogue and you will engage in consultations. Again, this is very deceptive. It is very deceptive. [*Desk thumping*]

You know, I think in some ways, you know, hon. Madam Speaker, I think in the last six months and continuing today, this country has been taken for a ride with the promises of what the midterm review would do, [*Desk thumping*] promises of what that midterm review would do. And that ride was not on a donkey cart, it was not in an Audi, it was not in a Benz. None of these things, Madam Speaker, but the country was taken and hyped up. It was like we were *Waiting for Godot*, the famous Beckett play, the drama, where the players were waiting for Godot and while they were waiting for Godot the actors in the play they are there, they are getting older, all the suffering is happening. You continue to wait for Godot. That is how this midterm review was painted for us.

You know, almost every one of the Ministers on the other side, after the Minister spoke about the consultations and the midterm review will do this, it will do that, it will do that, others jumped on it. They trumped and followed suit. And so we had, for example, the Minister of Public Utilities saying, when asked about rate hikes for T&TEC, and so on, midterm review.

We saw others, in like regard, dealing with the Minister of Education, midterm review. You go to the hon. Minister as well for—I am just checking the notes here where we had the comments coming from each of the Ministers. Even the Member for San Fernando West jumped into the fray. Something happened in his constituency and something about unemployment fear and somehow he found to put into that, midterm review, midterm review.

Hon. Member: Fighting for your constituents.

Mrs. K. Persad-Bissessar SC: Yes, you were fighting. But nothing, you know, midterm review.

The hon. Prime Minister in an address to the nation said: do not worry. Do not worry, everything would be revealed and dealt with by the Minister of Finance. In what? In the midterm review. [*Desk thumping*] You see, that is the point I am making. The impression is created. You know, the Member for Diego Martin North/East complains about everyone except himself.

Madam Speaker: Members please. Member for Diego Martin North/East, I am on my legs. Please continue, Member for Siparia.

Mrs. K. Persad-Bissessar SC: Thank you very much, Madam Speaker. You see, that is the point. As we make these comments, you are hearing bleatings coming from the other side. But that is what they did; that this midterm review dealt with everything. It did not deal with anything except that today, when the day is done everybody would have to pay more for diesel and everybody would have to pay more for super gasoline. And that there is nothing. That is a certainty. Everything else in there are mere statements of intent, statements of intent that we have heard before from October 2016, coming down the road.

You know, the Minister in his usual style distorts truth to suit his own purpose. And so whilst he is praising the IMF, his latest, really his buddies, I am told that they have been here, not just after the election to help guide that 2016 Budget but they were here recently again and are very much involved in guiding all these steps that are going forward. Well the Minister said they came. I think the Minister has the opportunity to respond, you know. He can speak again.

Madam Speaker: Members, please. Continue, please, Member.

Mrs. K. Persad-Bissessar SC: Thank you very much. The Minister spoke of the IMF and said that when we were in Government we avoided holding these meetings with IMF, avoided holding meetings with Moody's, and so on, that we did not wish to hear the truth or to be told anything.

The Minister of Finance advised, at that time, after talking with the IMF, Minister Howai, that the IMF had a protocol which avoided visiting a country in an election year, [*Desk thumping*] and 2015 was an election year, and in keeping with that protocol the consultations were not held.

In terms of Moody's, Moody's did visit us early 2015. They did consult in April and eventually advised of a possible downgrade. The then Minister of Finance went up to Washington to engage Moody's and even after that consultation they downgraded just by a hair, a slight downgrade by Moody's.

In terms of Standard & Poor's, they came to Trinidad. The Minister of Planning, will give a few more details on these matters because he was very involved—former Minister of Planning and Sustainable Development, Dr. Tewarie, who was very involved in those meetings with these rating agencies. Standard and Poor's came to Trinidad in June 2015 and expressed surprise on how well Trinidad and Tobago had done for the first half of that year, 2015.

Following Moody's downgrade in 2015, the Minister of Planning and Sustainable Development had a conversation with the head of Standards & Poor's who indicated, notwithstanding Moody's downgrade, based on their June 2015

SFC Report (Adoption)
[MRS. PERSAD-BISSESSAR SC]

Friday, April 08, 2016

assessment, they were unlikely to downgrade at the end of 2015. And that is the truth of the matter. They indicated it was important that the Government attend to prudent fiscal management as well as strategies for economic growth.

Madam Speaker, those are the facts. As I say, Dr. Tewarie was very involved in his capacity then as Minister of Planning and Sustainable Development, with respect to why those consultations did not take place, and they did. The IMF came. A team from the Opposition met with them, Moody's and—it was Standard & Poor's we met recently. Standard & Poor's interestingly, even though the IMF has made their comment that there is no crisis but certain things need to be done, when we asked Standard & Poor's when would their report come forward, they said that they would not do it before the midterm review. So they were waiting on this famous midterm review. They were also waiting on this famous midterm review. [*Desk thumping*]

5.15 p.m.

Madam Speaker, we have seen the hon. Minister saying that in terms of expenditure that the Government is keen to pay the salary, the back pay to public servants, to police officers and so on. I notice that he mentioned public officers, and I trust that that also includes police officers because the back pay is outstanding to them as well. The Minister is indicating—and I read from the text which came to my hand:

“In this regard, I wish to confirm that it is the Government's intention to pay 50% of the outstanding arrears of salary to public officers by the end of June 2016.”

We hope they keep to this promise, but I would also ask that the Government pay them interest on that back pay for withholding that payment for them for this point in time. [*Desk thumping*]

“The remaining 50% will either be paid in interest-bearing Government Bonds by the end of...”—[*Interruption*]

Madam Speaker, please. The Minister could get to respond again. [*Crosstalk*]

Madam Speaker: Members, may I remind you all of Standing Order 53 with respect to Members who are not speaking. Could you kindly continue please, Member for Siparia?

Mrs. K. Persad-Bissessar SC: Thank you very much, Ma'am.

“The remaining 50%”—the Minister says—“will either be paid in interest-bearing Government Bonds by the end of September 2016, or in two further instalments in cash in 2017, at the option of the workers.”

So we trust that this is not just the “talk the talk”, but that they will follow through on the moneys due as back pay for workers in the country.

When we look at the estimates shown in the Standing Finance Committee Report, we see that moneys are being appropriated or plan to be appropriated or to be approved for several Heads of expenditure, and that has to come from—adjustment to the Ministry of Health budget has been decreased by \$6 million, but no adjustment has been made for improvement in health care or for increases in health care as a result of consultations or otherwise to come up with adjustments.

Now, we know that there are severe shortages of medications in the nation’s hospitals. We know that there is a severe shortage with the CDAP drugs. We know that there is a shortage of staffing of doctors and medical personnel and so we would ask: how do you intend to improve the health care in this country? You take money out, \$6 million, not a lot, which was for the HIV/AIDS and you have now placed it in the Office of the Prime Minister under that heading. [*Crosstalk*] Yes, that is what I am saying.

Dr. Rowley: What is the point?

Mrs. K. Persad-Bissessar SC: What is the point? The point is, I am saying, you have removed \$6 million out of the Ministry of Health into another Ministry. The question is, the same amount of money, the same \$6 million for the same purpose. That is why I said, at the end of today, there is no change. [*Desk thumping*] At the end of the day, there is no change. You have just moved a programme, an agency, the exact programme, the exact money, put it into another Ministry to do exactly the same thing.

I say it is like you have chairs in your kitchen and you decide, you know what? I prefer—they are looking better in the living room, and you put the chairs in the living room, but it is for the same purpose, it is for seating. You do not have more chairs, you do not have more value and you do not have less chairs. All you have done is you have moved it from one room to another. And that is what happened. You moved it from one part of the Cabinet to another part of the Cabinet. Nothing changes at the end of today’s proceedings. Except as I say, the pressure that will visit citizens from that increase in the price of gas.

So, the Ministry of Health has had an adjustment. Was that predicated upon any dialogue or any consultations that the Minister promised? We have the shortage of doctors. I am being told that the Couva Children’s Hospital, which is equipped, is a construction site and when it has stopped being a construction site then we will look to staffing it. Madam Speaker, why do we want to do it in seriatim? Why do we not do it simultaneous so by the time you finish the outside

SFC Report (Adoption)
[MRS. PERSAD-BISSESSAR SC]

Friday, April 08, 2016

work, which is the construction part of it, you will have staffing ready to go in? If you wait for that, if you wait to finish the outside works there, then you will take further period, a year would pass and you still have no doctors, no service happening at the hospital, and the concern is great.

What measures are in place in order to ensure that the place is maintained—that expensive equipment, all those machines, state-of-the-art that they are kept in good order, good condition, not subject to damage, not subject to any kind of theft? What measures are in place? We would need to be very clear on that. So why do we not advertise? Why do we not advertise now for the medical personnel you need for the hospitals? I wonder if we know there are 160 doctors or more who are at present unemployed. [*Desk thumping*] In the budget 2016, when we read the budget speech, you know, there was reference that we will do everything we can to deal with staffing for the nation's hospitals, for the nation's health care system, to improve on that. I do not know what else has been done, but nothing has been done with respect to that hospital.

We go to housing. In the Ministry of Housing and Urban Development, there has been a decrease of \$16 million taken out from that to be placed—for the Parliament for constituency staff. Now, let us understand how that happened. Every year for the parliamentary budget about \$33 million to \$35 million is allocated. Every year about \$33 million to \$35 million is allocated for those constituency offices and incidental expenses. But for some reason, in fiscal 2016, that is October, they were only given \$17 million. So what is really happening is that shortfall that they were not given the amount that they are usually entitled to, that, is being made up with the \$16 million. So, again, it is not for anything new for the Parliament to get. It is not for the Parliament to bring in new programmes, bring in more staff, anything of the sort. It is simply to restore them to what was their normal expenditure with respect to committee offices. [*Interruption*] Again, it is really a book-keeping exercise if you want to put it like that.

The Ministry of Planning and Development, an increase of \$39 million. Again, picking up the IMA from one Ministry and putting it in the Ministry of Planning and Development, no change, nothing, bottom line—same project, same programme, same amount of money, just a different room in the Cabinet.

We turn to the OJT training, and I want to talk a little about this because of the job losses. We see, and we want to know, what were the discussions, what were the consultations which led to the change or the variation, the adjustment in the budgetary measure to take the OJT programme out of the Ministry of Education

and place it in the Ministry of Labour and Small Enterprise Development to the value of—what was it? Madam Speaker, \$374 million. A lot of money. That is a lot of money, at a time where we are seeing the job losses taking place. But when we asked—I think one of my colleagues asked the Minister: will this help for those persons who have lost their jobs? And the answer was no. And then I had asked the question: does it mean then the 7,000 persons you have in OJT, are these the same persons who were there in October? Yes. Would it be to service the same persons who are there? The answer is, yes. So, there will be again no change with respect to employment in that sector. [*Desk thumping*]

However, in the budget speech October 2016, the hon. Minister said that he was increasing stipends by 20 per cent to take effect on December 01st, so there will be an additional cost to the OJT of \$62 million. That was in October. In October 2016 at page 71 of the budget speech, the Minister said, I am increasing the allocation for OJT, \$62 million. Why? Because I am going to pay an increased stipend. I think it was Minister Karim—MP Karim who asked the hon. Minister when she was here: has any payment been made for the increased stipend? The Minister said none, no. She said she is now considering taking a Cabinet Note. This is six months later, and the Minister of Finance had said that that increased stipend should take effect from December 01st, last year. And so, the Minister said, I am considering taking a Note. The Note obviously has not gone, considering taking the Note to implement, but a further question arises.

First, you take six months. Are you then planning to do a back pay because you are keeping the same money? There is no cut in this expenditure, but you did not spend it. For six months, you did not spend it. That \$62 million, therefore, is for the increased stipends. Okay, fine. However, if it was not paid, has not yet been paid, there is in effect savings. You have saved that money unless there is a plan to make a back pay retroactive to December, and somehow I do not get the impression it is for a back pay. So, therefore, why was this not taken into account in making the adjustments?

The Minister had said it, the hon. Prime Minister had said it that there will be adjustments for savings, savings would be looked at and here is a saving out of that \$62 million. Nothing has been thought about it in terms of utilizing it for some other kind of expenditure, some other expenditure like helping workers who have lost their jobs. Nothing of the sort. Six months later then, no new stipend is paid and money, in effect sitting in savings with no budgetary adjustments being made.

Also, the Minister of Labour and Small Enterprise Development tells us that she is now considering bringing legislation to deal with the ArcelorMittal matter. Again, people have lost their jobs. I see one of the editorials today has not been very kind with respect to the actions of the hon. Minister and the pensions—for pension payments and so on.

You know what I find so surprising is that immediately this matter had happened, the Opposition and myself we had said, “Listen, if you bring legislation now, immediately, we will support it. [*Desk thumping*] Bring the legislation now.” I then described the kinds of models that you have in several different places, in several different countries. The model where you could take them up on the pecking order when a company goes belly up, goes bankrupt. Instead of workers being at the bottom, you could put them at the top, as [*Inaudible*] of the company, so they would be given a first preference rather than ending up nowhere. We indicated we will support this. The Minister is now saying, after the horse has bolted, she is now saying that she would bring legislation.

Perhaps her answer to me would be: well why did you not do it when you all were in Government? Why? But we did not have that problem with the job losses and so. [*Desk thumping*] In fact, we reduced the unemployment rate in this country down to single-digit numbers. [*Desk thumping*] So, it is very sad that we hear of the plan now, in some future time—I think he said by the end of the year—to consider legislation of this sort. Certainly, legislation shared with us, we will work to give it due consideration to support it. [*Crosstalk*] They will accelerate the winding up. They certainly will. [*Crosstalk*] [*Member searches through papers*] Sorry, Madam Speaker, one moment.

So, coming back to the issue of the price of the diesel, I think we need to remind ourselves this is the second time that the price of diesel is being increased in six months, from budget October 2015 to 2016. This is the second time that we would get an increase in diesel. This is implemented, as he said, with immediate effect. It will cause an increase in the price of goods and services again, and it will adversely, of course, affect every person here in the population.

We need to find out what initiatives the Minister is putting in place to encourage the use of the CNG and the electric vehicles. The Minister mentioned some of those, but some of those are already in train. For example, the government fleets are to be converted. And, you know, with due respect to the hon. Minister of Energy and Energy Industries, when the Minister indicated in another place that nothing had been done by the Partnership Government with respect to CNG; Nothing is further from the truth. I can name you 15 things right

now, and I think one of our Ministers will do it when they come to speak—former Minister. Wow!

I think, you know—you know, Madam Speaker, you may or may not remember, you know, today is April 08, marks exactly six years when Mr. Manning, the then Prime Minister, dissolved the Parliament, [*Desk thumping*] in 2010. [*Crosstalk*]

Mr. Imbert: You know, it is six months since we beat you. [*Laughter*]

Mrs. K. Persad-Bissessar SC: No, I think that is seven months. You cannot even count, Minister of Finance. Today marks—yesterday marked seven months since you were declared winners of the election, seven months. [*Crosstalk*]

5.30 p.m.

So other MPs will speak, as I say, on about 15 measures taken in terms of CNG stations that had been built, in terms of initiatives for the Government fleet of vehicles to go into CNG. In fact, the buses, our buses, the PTSC buses of this country, the new ones that came in, all came in with CNG. [*Desk thumping*] We have been very involved in pushing the CNG initiative forward, and I think it is unfair of the hon. Minister not to acknowledge. In fact, the 10 CNG stations now, virtually it was the first stations built in maybe 20 years were built by the Partnership Government, the CNG stations. [*Desk thumping*]

The 10 stations mentioned in the same report were built by the Partnership Government. So it is not accurate to say nothing had been done with the CNG, and this is the way to go. It is the CNG, we recognized it, we started it, and we say hurray to the Government to push the CNG effort forward, thereby reducing our reliance on the other fuel, the oil fuel, the fossil fuel, if we go with the natural gas fuel first, and the electric vehicles. Again, we had given—I remember, removed the VAT on certain aspects to do with CNG. Remember that now?

Hon. Member: Yeah.

Mrs. K. Persad-Bissessar SC: And, in fact, when the hon. Minister of Finance brought that VAT Order to remove zero-rated items, his initial order that he gave us in Parliament did not include the CNG. When they brought it in and actually lodged the Legal Notice it was then included that the CNG vehicles would be zero rated with respect to VAT.

So those are some of the issues with respect to energy. The Minister, again, talking about energy, the Minister talked again about two initiatives which he had already spoken about in October 2016. So, again, nothing new, it is just the talk they talk again, and that is that discussions will be held with the key stakeholders

SFC Report (Adoption)
[MRS. PERSAD-BISSESSAR SC]

Friday, April 08, 2016

to talk about different incentives, such as matters dealing with the SPT, the supplemental petroleum tax, an order to look for more lucrative ways of gaining the best advantage for the country from the oil companies. Those were already contained in the budget of October 26. It is merely a repetition where nothing changing as of today.

We have also where the Minister in the budget 2016 spoke of the renewable energy. A great idea, but six months later the Minister is still talking about renewable energy without actually bringing or implementing any measure relating to renewable energy. So, again, repeating the same proposals given six months ago, but in their midterm review as though this is something new and something that is going to be happening overnight. The Minister spoke about energy with respect to the third aspect about dealing with giving out various blocks, matters relating to increasing production, because there had been decrease in production in the sector. Increasing production—again, statements of intent, because mentioned before in October, mentioned again today, still without the implementation that is necessary.

I turn now, Madam Speaker, to legislative proposals that the Minister had outlined to assist for revenue collection and, therefore, in bridging the gap between expenditure and revenue. If we look at those legislative proposals that the Minister had spoken about then in October, and is again talking about today, we will see how far we are from bridging that gap through the legislation that is necessary. I refer, firstly, to the comments of the hon. Minister when the Finance Bill was being debated in the House on January 11, 2016. The hon. Minister said:

“...let me recap. We are now dealing with the Finance Bill, which I will call Finance Bill No. 1, which is to deal with budget measures. We have the closing of...Finance Bill...”—the accounts later this month. We have Finance Bill—“no. 2, next month”—which would have been in February—“which is to deal with incentives for construction and housing. We have...amendments to the Property Tax Act to resolve”—and—“We have the mid-year review... likelihood... in April. We have the Gambling (Gaming and Betting) amendments”—and these are matters that we would make—“crystal clear”—in—“the mid-year review.”

The same items, the same issues repeated today, same old, same old, same old, without any further implementation of promises then. [*Desk thumping*]

On October 05, the Minister talked about bringing legislation for the Insurance Bill and the Credit Union Bill, the Securities and Exchange Commission, the Financial Intelligence Unit, and the Central Bank Act to align

them with international best practice—we will bring to Parliament, this fiscal year, a full legislative agenda—[*Interruption*]

Hon. Member: I have it right here.

Mrs. K. Persad-Bissessar SC:—at page 51 of the budget. Well, you could keep it, [*Desk thumping*] because, you see, the hon. Attorney General has been boasting every month that he would be bringing this famous legislative agenda. We are today seven months into Government—[*Interruption*]

Hon. Member: Would you give way?

Mrs. K. Persad-Bissessar SC: In a moment. Seven months into this fiscal year, into this year since they won the election and the legislative agenda is still not there. I do have some of his quotations but I know he will agree that he has been pushing for a legislative agenda at every point in time.

So the last time he said it was like—I think the last time he spoke on it he said he will have it by March, if I am not mistaken. [*Interruption*]

Hon. Member: In the first quarter.

Mrs. K. Persad-Bissessar SC: Well, when did the first quarter end? Check yourself—check yourself. And then the hon. Minister, first he said that he will have a legislative agenda and when we did not get it the hon. Member said, you know what, I will publish a legislative agenda. So I will tell the hon. Minister, please, publish your legislative agenda, [*Desk thumping*] you have boasted about it for long enough. The problem is, however, in the Finance Bill, 2016, Senate debate, January 15th, again, the hon. Minister of Finance said:

“It is...my intention to bring a simple amendment to the property tax legislation to allow for this year, 2016, that the amount of property tax that will be charged in this 2016, would be exactly the same as people paid in 2009. So if”—you—“paid \$1,000 a year in 2009, they will be called upon to pay \$1,000 in 2016. If you paid \$100”—and there are lots of people like that—“you will be called upon to pay”—that same amount. “So...this Bill...does not deal with the property tax.”

This is the hon. Minister I am quoting from in the Senate on January 15, 2016. Continuing:

“With respect to the insurance sector, again it is my plan, time permitting, to bring the finalized Insurance Bill to...Parliament...we also intend to bring legislation to separate the Heritage and Stabilisation Fund...we have the

SFC Report (Adoption)
[MRS. PERSAD-BISSESSAR SC]

Friday, April 08, 2016

closing of the accounts which”—which would take—“place...and then I have a Finance Bill No. 2 which I plan to bring in February, which...deal with incentives for construction, incentives for public/private partnerships, incentives for housing and other elements of construction intended to stimulate the economy.”

Hon. Madam Speaker, six months ago these were the things that we were expecting, and, as of today, the midterm review. I think my colleague termed it as it was like flying a kite in Easter, and what you have been doing is flying a kite, raising these issues that you raised then, again raising them without implementation and in completing any of those. And whilst we talk about that legislative agenda, let us remember you know, when the Partnership came into Government from January to December, our first six months in office, we brought 18 Bills to Parliament. [*Desk thumping*] We brought 17 Government Motions to the Parliament. In comparison to this Government’s present legislative performance, eight Bills have been brought to Parliament—[*Interruption*] Eight thousand people have lost their jobs, as we speak.

The present Government have brought only eight Bills to Parliament, and let us look at those Bills, all dealing with money, appropriations and borrowings, The Appropriation (Financial Year 2015) Bill; The Family and Children Division Bill, which is a Bill that had been brought by us, lapsed, and has now been brought back; The Finance (Variation of Appropriation) Financial Year 2015) Bill, 2016; The Finance Bill, 2016. These were the Bills brought amongst those eight Bills brought by the present Government in their six, seven months in office, as compared to the Bills brought by us in that first—the 18 Bills.

For example, we brought in our first six months, seven months, the Anti-Gang Bill, 2010; The Appropriation Financial Bill, 2010; The Bacteriological (Biological) and Toxin Weapons Bill; The Bail Amendment Bill, 2010; The Constitution (Amendment) (Capital Offences) Bill; The Elections and Boundaries (Local Government) (Validation) Bill; The Evidence Amendment Bill, The Finance Bill, No. 2; and so it goes on, Madam Speaker, the Children’s Life Fund Bill. These were some very heavy Bills of substance brought in the first few months of the then Government.

So when you come to some of the accusations being made by the hon. Minister, for example, when he talks about the past Government maxing out the overdraft, that has been repeated, repeated, repeated, but today the hon. Minister admitted what we was saying all along that the arrangements were made in place to collect the money from TGU, the arrangements were made in place to collect

from the IPO of \$13 billion. [*Desk thumping*] Thirteen billion dollars, Madam Speaker. So those arrangements had been set in place prior to the 2015 elections to come in thereafter September and October for collection of those money. That is where, Madam Speaker, the distortion of it, and I know Dr. Tewarie will have a little bit more to state with respect to that matter. So I think we have our 20 minutes, if I am not mistaken, Madam Speaker?

Madam Speaker: You have up to 6.07 actually.

Mrs. K. Persad-Bissessar SC: Twenty-five minutes—twenty-something minutes, right, just getting my papers back together. [*Interruption*]

Hon. Member: Plenty time.

Mrs. K. Persad-Bissessar SC: Plenty time, sometimes we have only 45 minutes. It is like you are on a free row when it is like two hours you can speak for, an hour and a half. It reminds me of the bad old days in the Tenth Parliament before we changed the Standing Orders to shorten the time down from—what was it? An hour and a quarter, to whatever.

Now the Minister, after talking in 2016 about the mass transit system, today tells us the Government has taken a decision they will not pursue it. I congratulate them. [*Desk thumping*] As hard as it is for me to congratulate them for anything, it was a bad idea to start with, a completely bad idea to start with, at whatever the oil price, and so good sense has prevailed, or maybe, you know, hard times have set in. Instead the Minister is speaking of building the Wallerfield to Manzanilla Highway, the Curepe interchange, the Valencia freeway, the upgrade of the Moruga Road, completion of the Point Fortin Highway, San Fernando to Princes Town highway, but whilst the Minister tells us this again we have no numbers, we have no estimates, we have no idea of what it would cost, and perhaps the Minister of Works and Transport may, if he contributes at all, will tell us what kinds of costs we are looking at for the completion of these road works, the costs and the time frames within which it will be put in place.

Because, you see, it was a PNM Government in 1956 that promised to build the Point Fortin Highway. [*Desk thumping*] They are talking the talk, all this talk, talk to build the hospital; the Arima hospital, I think it is, from way back when time—past, long before many of you in this Chamber were born, promised by the father of the nation, the true father of the nation, Dr. Williams. So that while we see it on paper, it would be interesting to see what are the timelines to have these projects come on stream within this fiscal year, and thereafter. Certainly, they cannot be done all in one fiscal year, but maybe staggered, and we would appreciate a sharing of time with respect to that on timelines.

SFC Report (Adoption)
[MRS. PERSAD-BISSESSAR SC]

Friday, April 08, 2016

Now, in 2016 the Minister said, we will close the \$15 billion gap with borrowings and on one-off items of extraordinary income, such as proceeds from the sale of Clico assets, repayment of past lending to TGU, dividends from NGC, drawdowns from the HSF, the proceeds of the Phoenix Park IPO, and so on.

5.45 p.m.

“Again, in 2017, to conserve jobs...maintain economic momentum, we will have to resort to further borrowings...further asset sales, including the remaining Clico assets, such as Republic Bank, further drawdowns from HSF...since we anticipate another large gap between income and expenditure in 2017.

In 2018, however, we must put our house in order. By this time, the gap between”—recurrent—“and total expenditure...must not exceed”—\$18 million. “All things being equal, therefore, if our revenue position does not improve significantly over the next two years, we will have to cut expenditure by 2018 to \$55 billion.”

And the Minister continues, you know, really giving us the “bad john” talk:

“We cannot continue to spend...”—we cannot continue to spend. We must get more revenue.

But one area of getting this revenue is through borrowings. The Minister has made it very clear that they intend to go down the line of borrowings. And we must remember where we came from when we pursued this line and the Minister must be able to tell us where the revenue will come from for the repayment of debt. [*Desk thumping*] It is all well and good to borrow, but what will be the ratio debt to GDP? The Minister will want to tell us some of that. [*Crosstalk*] That is totally not possible. That is totally not possible. Again, distorting of numbers and figures will be totally not possible.

The foreign exchange regime. The foreign exchange regime. You know, the Minister babbling across the floor three days before election. The Minister forgets on the day after an election and before a Prime Minister was put into office—what is the word?—took the oath of office. So there was no new Cabinet, there was no new government, the existing Government and existing Minister remained, that on the 25—[*Interruption*]

Mr. Imbert: That is not so.

Mrs. K. Persad-Bissessar SC:—that on the 25th—the Constitution is very clear. On the 25th, from out of NIDCO a letter was sent to the OAS Construtora naming them as the preferred contractor for the Point Fortin Highway. [*Desk*

thumping] You are talking about—he forgot with Severn Trent, when two days before the election, you have forgotten with the Israeli equipment two or three days before election—[*Desk thumping*] Your memory is short. Send your memory back and you will see when you made these accusations about two days before election, you are talking, I think, about the T&TEC bond. We have explained that T&TEC bond repeatedly and Mr. Rambachan will speak next, would go into the details of it. So this story of bantering across the floor, you know. You cannot stand up on two legs without working, without attempting to distort truth in this Chamber. [*Desk thumping*]

Madam Speaker, just a few more matters as we run the time out—20 minutes. Thank you very much. There is so much paper. Now, the issues we would have seen coming up as we got closer and closer to the midterm, famous midterm review, we saw the commentaries in the newspapers becoming more and more frenzied as well. So that by the time we got around to the *Business Express* of April 6, 2016 they were able to outline the things that this midterm review would contain. That was two days ago. Further changes to VAT, excise taxes with respect to soft drinks and other high consumption goods, the fuel subsidy, the GATE, CEPEP, the HSF and reduction in expenditure and revenue. That is the *Express* business, *Guardian*. All these things for a matter in which we were coming to Parliament to do nothing except move items from one Ministry to the next. All these things, the fuel subsidy, of course, dealt with.

In the *Business Guardian* of April 7th, yesterday, they said that this midterm review would be dealing with the size of the projected fiscal deficit, the CL Financial Clico resolution, and of course the Minister did mention that. And one thing that has me very concerned, we see that the Minister is saying that certain Clico assets to be transferred to the Government, back to the Government. We see also for sale of Clico assets and therefore, we would want to be very cautious, Madam Speaker, that we are not into fire sales [*Desk thumping*] to use fixed assets, well of course, to sell to friends or family as we saw with other matters—to use these assets to fund recurrent expenditure. Because recurrent expenditure does not bring back any return. [*Desk thumping*]

So if you are using capital assets, capital assets will bring you more money. It is like the goose that lays the egg. When you kill that goose, you do not have more eggs coming. So when you take a capital asset and use it to fund recurrent expenditure, that is what the Minister is saying that they will be doing, then you are really impairing your future capacity with respect to dealing with it. So to sell the assets, Madam Speaker, Government would want to be—[*Crosstalk*] Madam Speaker, can you ask the hon. Members, I would like to at least hear myself.

Madam Speaker: Hon Members, I would just ask you all, please, to maintain the Standing Orders with respect to controlling the running commentaries so that the Leader of the Opposition could continue with her contribution. Member for Diego Martin North/East, please. [*Crosstalk*] Member for Diego Martin North/East, please. Continue please, Member for Siparia.

Mrs. K. Persad-Bissessar SC: The *Business Guardian* April 7th said the midterm review will deal with the size of the projected deficit, the CL Financial Clico resolution debt and other matters related thereto.

The *Newsday* also had some issues. They felt they would deal with—April 8, 2016, fuel subsidy, ForEx, land and building taxes, unemployment, gaming industry, financing deficit and CEPEP. So all these issues had to be condensed into 45 minutes of time that was allotted normally for a report from the Finance Committee. With all of these things happening over the past several weeks and going back from last year, they became a kind of hysteria that was building up in the population. You know, today I am told just like the past days of the PNM before a budget, that everybody would be running to the gas station, [*Desk thumping*] running to the gas station. And I see people telling me and I smiled and I say but no, I mean the Minister cannot come and do that today because that is nowhere part of the budgetary measures before the Parliament today in the report from the Standing Finance Committee. So I am sure there are many people laughing at me for being so gullible to believe that this Government will not act out of turn and out of space, that would come and immediately, one again, raise the price of fuel in this country. That is how they operate, Madam Speaker.

We come in here today with the fuel subsidy and, you know, part of the fear, I think even last year, October 2015, people also went to the gas stations, lined up outside the gas stations. Yes. They had to close down the gas stations because some gas stations ran out of gas because people were so afraid that the Government, that new Government would raise the price of gas. And you know, yes, the people were right. They did raise it. So said, so done. And they come back again and do it again, raise the price of the gas as we came in today. Just remembering that, of people and the concern and the fear that had been out in the population as of today.

So foreign exchange, what is the plan to deal with the whole issue of foreign exchange? The Minister insists and he is using the example of Venezuela of all places. I would hate to see that the Minister takes us through the doorway into the jaws of Venezuela. [*Desk thumping*] I would hate to see that happen. And so

maybe the Member for Princes Town was right when he was saying, if this is what may well happen people might be even considering migrating to Venezuela [*Desk thumping*] given the state of the economy. It happened in the past in the 80s. I mean, when all these refugees running out of Trinidad. I do not know if you were young enough to remember that, Barry, but you would have been too young—sorry—MP for Naparima. So foreign exchange. Princes Town, sorry. Princes Town. [*Laughter*] He is too young to remember.

The foreign exchange issue. You know it is interesting the Minister would announced today that he will put a measure of putting a 7 per cent levy on online Internet shopping for items not taxable in Trinidad. Well you know what happened? Maybe, you know, Madam Speaker, when the Minister announces that, well he said, you know what?—I now have to go and talk to the banks and so on to see how that will work. You know what is going to happen? Between now and then whenever he finds the time to go and speak to those banks which he says is somewhere towards the end of the fiscal year, but anybody who could spend on online shopping will spend out every cent they have from now to spend on the online shopping. So you have served them with full notice. In any event, it means that foreign exchange leakage that you are trying to stem will not be stemmed today. [*Desk thumping*] So that is not a measure that will take effect today. You are not going to get assistance from that with respect to the foreign exchange. [*Crosstalk*]

Madam Speaker: Hon. Members. Continue, hon. Member for Siparia.

Mrs. K. Persad-Bissessar SC: You cannot stop speaking. Your problem is you cannot stop speaking, so you better leave. You can run, but you cannot hide. True.

Then the other hon. Member tells us, talks about saying something about, and I guess others will have more chance to read what he said with respect to the rate. That we have had a flexible rate. We have been fairly steady and balanced and so on. I am talking about 3.7 per cent. I do not know what all of that means really. I am sure he can explain it better. What does it mean? It means the TT dollar continues to depreciate against the US dollar. [*Desk thumping*] And I am told that on the black market the US dollar is being sold one US dollar for eight TT dollars. I am told as of today if you go online the rate is at one to \$6.59, I believe, from I think it is Scotiabank, one of the banks.

But you know, Madam Speaker, when I go to those banks and I am aware of it. I have clients who go in to seek to get money to pay lawyers, for example, you

may have foreign lawyers. And they cannot get a cent of foreign exchange. The Minister keeps insisting that there is no shortage. There is no shortage. There is no shortage. I know someone who lives not too far away in the Barrackpore region who does a little farming business and they import things to buy and sell, as a business, and they have to send foreign exchange, not large sums. They go in there and every day they are giving them a run around. One week they give them US \$100, US \$200. All of this, what is it doing for those small businesses? It is in effect crippling the small businesses where they cannot get the foreign exchange. Now, we are being told manufacturers will get loans of foreign exchange. I still fully do not understand that concept and I have to discuss with experts in the field. Government is going to guarantee a US dollar loan for a private company. That is what the Government is saying to us, and then they could pay it back in TT.

And I do not buy the story that they are trying to sell to us, that it is not the private company that is being guaranteed, that is the bank that is being guaranteed. Who is the money for? The money is not for Eximbank. The money is for private company, [*Desk thumping*] Grand Bay somebody, Grand Bay somebody. That company, Madam Speaker, has debts of over US \$57 million and that debt did not happen today or yesterday. They have been repeatedly borrowing. They borrowed from IFC. They borrowed from RBTT. They borrowed from First Citizens Bank. All this is available in the Companies Registry. Three different sets of loans. Each time they seem to be stumbling, they seem to be falling. They are insolvent in effect, they just go to get another loan. And when they went to get this loan, the Minister is telling us, Eximbank says no, no, no. I cannot give you that loan, you know, because you are already owing so much money. The only way I am giving you is if somebody guarantees it.

Member here for Chaguanas West asked, so what happens if they default on that loan? What does that mean? You know what it means? It is the taxpayers' dollars of Trinidad and Tobago to be used to pay the default. [*Desk thumping*]

6.00 p.m.

And the story gets “curiouser” and “curiouser” when you examine the company documents.

Mr. Singh: Where is Alice?

Mrs. K. Persad-Bissessar SC: Where is Alice? “Curiouser” and “curiouser” according to whichever. According to Alice, Alice or “Wallace” in Wonderland. And, when you look at what is happening, the shareholders of the company for

Grand Bay Limited—that is the company the Minister wants to lend this guaranteed money for—the shareholder, you have directors and you have a shareholder. What the shareholder is? That is the man who really owns the money.

Now, we saw all these Panama Papers stories recently, okay, and about offshore banks in St. Lucia and so on. You know who are the shareholders of this Grand Bay?—a company incorporated in St. Lucia known as Grand Bay St. Lucia Limited. Now, thus far, I went in on the Internet last night into the Companies Registry in St. Lucia. This technology is fantastic. I have recorded there from the Companies Registry in St. Lucia, that company Grand Bay St. Lucia was incorporated in August 2009. Thus far—and I will find it, because I will apply to that registry—I have not been able to find out who are the directors. But, what is interesting, is the directors here on Grand Bay, the Trinidad Grand Bay now, the directors are all foreigners, from their names and addresses—their names and addresses are given.

What is even more curious is that you have the interlocking with another company known as Trinidad Tissues. But, the shareholders of Trinidad Tissues, you know who they are? The same Grand Bay St. Lucia Limited. And, Grand Tissues Limited was purchased by Grand Bay Trinidad Limited, and Tissues Limited has a debt, has borrowed money to the value of about \$27 million. So, the joint liability, the joint exposure of this company, the US \$57 million, plus the \$27 million on the other side for the tissues company, and you see all the interlocking directors—you see, after I read that Panama Papers story, Madam Speaker—

Dr. Rowley: You are worried? [*Laughter*]

Mrs. K. Persad-Bissessar SC: I am not worried for me, I am worried for Trinidad and Tobago. [*Desk thumping*] I am worried for Trinidad and Tobago. I have absolutely nothing to worry about. I have absolutely nothing to worry about with the Panama Papers. But, I am worried because you see the same pattern with the St. Lucia offshore company, with a company called Finvest. You know where? From Channel Islands in Jersey, another kind of offshore haven, and the whole thing smells, you know; something is just not right with it. Something is just not right and we intend to continue the investigations to see with this matter.

And then what are the criteria and the procedure? When last has the Government done a matter like this? When last has the Government ever done something like this? I do not recall any time in the five years where the Government of Trinidad and Tobago would guarantee a loan that is being given—

Hon. Member: In US.

Mrs. K. Persad-Bissessar SC:—in US dollars, to a private company. I do recall, however, that the former Government bailed out Clico, the Clico fiasco, to the tune of about, they said \$19 billion. It turned out when you add up everything, it was really bailed out for \$26 billion, we were left a big hole in the Treasury that we inherited. [*Desk thumping*] And, I hope this Grand Bay is just not another kind of manifestation of that. When you put all of it together, which, certainly, we will continue to work.

So, Madam Speaker, I want to thank you and this honourable Chamber for the time given to me. As I close I say, today we have achieved nothing except to ensure that the lives of our ordinary citizens, especially, will become harder, because we have raised—all we will do today is to raise the price of super and raise the price of diesel, thereby impacting on every item, goods and services, being supplied in Trinidad and Tobago. I think we have had enough of the Anansi stories that we will do this, we will do that, of the statement of intent; six to seven months is more than enough. The Government has made it very clear that they are in charge, but it has become very clear to the population that that being in charge, the measures are only such measures as to wreak hardship upon the people of Trinidad and Tobago. [*Desk thumping*]

I think the blame game days are long gone. The blame game days are long gone. After seven months, I do not think anybody out there wants to say, it is your fault Kamla; it is your fault anyone; you would make jail; and who would make jail. And I see the hon. Prime Minister, Thursday, May 2015 had said:

“Rowley.”—meaning the hon. Prime Minister, I am quoting—“we will not `waste time playing the blame game if elected”.

For the past seven months I think that is all that has happened. You are in charge, take charge, and take care of the people of Trinidad and Tobago.

I thank you, Madam Speaker. [*Desk thumping*]

The Prime Minister (Hon. Dr. Keith Rowley): [*Desk thumping*] Thank you very much, Madam Speaker, for the opportunity to join this debate, but I am really confused as to the position of my colleague from Siparia. Because, her last statement, her closing statement, seemed to have been a statement that had created such tremendous offence during the budget debate in September of 2015, my colleague from Tobago West did say that we are in charge. And that statement of fact had so offended my colleagues on the other side that they had a lot to say

about the Member for Tobago West. And, now, after an hour and a half of trying to respond, the Member for Siparia ended up by advising the Government that you are in charge; take charge.

But, I am saying [*Interruption*] that in April of 2016, this is the advice we are getting. But, in September of 2015, that position was very offensive to them. So, clearly it appears as though some epiphany has taken place on the other side of the House, and the Member for Siparia, having struggled for an hour and a half, and has not engaged a single item of content of the Minister of Finance, ended up saying—[*Crosstalk*] Madam Speaker, I tried to take notes—[*Crosstalk*]

Madam Speaker: Members, can we have some silence, please? Continue, please, Member for Diego Martin West.

Hon. Dr. K. Rowley: I tried to take notes because I knew I was speaking after my colleague, the Member for Siparia, and I really did not have much to write down because the Member made a case that this proceeding today she made very heavy weather, labouring the point that these proceedings are somehow unusual, and my colleague, the Member for Chaguanas West, opened the batting for her by saying we ambush them somewhere and so on.

Madam Speaker, just for the record and the benefit of the viewing and listening public, I have been in that place where my colleague the Member for Siparia sat for five years, from 2010 to 2015, and on five occasions Ministers of Finance under the leadership of my colleague, the Member for Siparia, came to this Parliament, after we had Finance Committee meeting, we had discussions at Finance Committee meeting, questions were asked, answers were given, the Parliament prepared the verbatim documents and they made them available and so on, and then we came here, and Minister Dookeran, Minister Howai came and he presented the Government's position, and we on the other side got up and responded; there was no additional notice, there was no document circulated separate and apart from, there has been no ambush. What we have was incompetency, if there was anything is that. [*Desk thumping*]

I do not know where her record was. But, I took part here five times as Opposition Leader, responding at the mid-year review which came later, as a matter of fact. As a matter of fact, the national conversation on today's proceedings has been the highest in the history of Trinidad and Tobago. I cannot recall a time when the mid-year review was on such great focus. [*Desk thumping*] And for them to come here today and talk about ambush, they might be in the bush, but not ambush.

We had absolutely nothing to do with changing the procedure. In fact, because of the importance of the situation, the paradigm shift, we asked that the Minister of Finance be given enough time to speak to the people of Trinidad and Tobago, and the Standing Orders allowed that. And we asked that that being so, we use the same format as in the budget debate, where the Minister of Finance has a certain period of time, and we gave the Opposition Leader equivalent time. Otherwise she would have had only 45 minutes to speak. We said, we will ask for, and Madam Speaker, I must thank you for agreeing to that procedure to allow the Minister of Finance and the Opposition Leader to speak point and counterpoint to the people of Trinidad and Tobago. [*Desk thumping*] But so unprepared and so obstructionist are they—

Dr. Tewarie: Would you give way to a question?

Hon. Dr. K. Rowley: Only to a question that is useful.

Dr. Tewarie: The question is related to what you are saying. On those occasions was the content of the Finance Committee the very same as the matters being debated on the day? And that is the difference.

Hon. Dr. K. Rowley: I agreed to give way, and I gave a caveat that the question makes sense, and I will come to that in moment, because it did not make any sense.

Madam Speaker, I am simply saying, as a statement of fact, that for five years I sat in the Opposition chair and I got up and responded to a Minister of Finance, under this last speaker, who came here on a mid-year review and spoke to us about whatever they wanted to speak to and we got up and responded. And, I will tell you something else too, we heard when the oil price started to collapse, we heard from the Government speaking from somewhere—whether it was in Penal or in wherever they were, or in St. Ann's or wherever, but the Prime Minister made a statement to the country that she has told the various Ministries to do some kind of cut; they never came to the Parliament in the way the Minister of Finance came today.

And, I want to congratulate the Minister of Finance [*Desk thumping*] for so comprehensively addressing the circumstances, and the business of the people of Trinidad and Tobago as he has done today. Because I am sure if the others on the other side are confused, I am sure that the people of Trinidad and Tobago, whether they agree or not on the various points, I am sure they are clearer today about how their business is being handled and the basis for it. I am sure about that. [*Desk thumping*] That much I am sure about.

I will tell you something else too. I have no problem with the Opposition taking issue with what the Government has chosen as pathways of—because, you see, Madam Speaker, I say it and I say it over and over, in managing the country's affairs, in taking decisions at the level of the Cabinet or of the Government, there are few, if any issues at all, where there is only one option available to the Government. When you find yourself with only one option you are in serious, serious trouble. It is probably life and death.

But, usually there are a series of options that are available, and the Government will choose one or more of these options in the decision making process. I cannot recall in the management of public affairs when it was only one option available to the Government. Because whatever option you choose, there will be those with other options saying that should have been the one, and this is the wrong one, and that is the right one. And that is why we have this system of Government and Opposition. The Government advances a position, and the loyal Opposition, if they are loyal, I am sure they are, will put another point of view forward, and saying, and in that way the country gets the best out of what options are available.

So, I would hope that as a result of the intervention of the Member for Siparia today that the population would have seen what the PNM Government has advanced and what the Opposition has advanced, except that we did not hear from the Member for Siparia other than complaints about the process and procedure, and the demeanour of the Minister, we have not heard a single item of alternative approach. Not one. [*Desk thumping*] Not one! She has not said, we would not have adjusted the subsidy; we would not have done the motor vehicle tax; we would not have done the property tax; we would not have defended the exchange rate within the band given. All we have had is criticism of personality and, of course, if I had to summarize the performance of the Member for Siparia, a former Prime Minister—she wants us to believe in marking that paper that we just got from here, that she does not—the Member for Siparia—is unable to make a connection between revenue and expenditure, taxation and debt. She can make no connection in that.

6.15 p.m.

Because you see, the Minister of Finance was at pains to point out that as we treat with the expenditure items, as we treat with the revenue items, they are related. And to fill the hole in the budget where we are contracted to certain expenditures, this Government did not drop from the sky. Government did not begin in Tobago this week. The Government of Trinidad and Tobago is

SFC Report (Adoption)
[HON. DR. K. ROWLEY]

Friday, April 08, 2016

contracted to a certain level, there are certain inescapable consequences and bills to be paid, contracts to be met, and therefore, those are expenditure commitments. And if the expenditure is to be met, to service the country, one has to pay attention to revenues.

And I will go back a little further. When we were in Opposition, history will show that we had consistently said to the Government of the day, why are you so uninterested in the health of the revenue stream of this country? And they would not listen. They were only concerned about spending what was available then. And we survived that because we had money then. But then with the collapse of the oil price and the gas price overnight and the revenues not there, they are coming now to ask us now, are you a Government of tax and spend? Something they saw on television in American politics, tax and spend. And there is a purpose behind taxation, to raise revenue.

So, now we are speaking about trying to close the gap between the contracted expenditure and trying to raise the revenue, because we need to narrow that gap so as to be able to manage the service of the country, all of a sudden, our colleagues on the other side can make no connection between expenditure and revenue, and, of course, the obvious thing, it will be pressure on the poor people—that is the cheapest argument to make. Everybody knows that in this period of straitened circumstances, everybody in Trinidad and Tobago will be affected by the decline of the oil and gas price that is no longer contributing as it used to. [*Desk thumping*] In a time of plenty, I can also say, everybody in Trinidad and Tobago was benefiting in the time of plenty.

But now, look at what has happened to us as a people, and this did not happen to us as UNC and PNM, the people of Trinidad and Tobago making a living and having a certain standard of living funded by the revenues and rents from oil and gas. We found a decline from \$120 a barrel not too long ago to \$100, to \$80, to \$45, to \$28, and they want to tell us that they do not understand that every single one of us would have to sacrifice in some way.

So to come here and talk about the measures the Minister of Finance put in and give the impression that you want to penalize somebody, no, we have to examine the best use of what we have and we have to change our attitude, and we have to understand that we cannot pay for the things that we were paying for even a year ago.

I pointed out to them, Madam Speaker, the last Government wanted to entertain religious leaders, a million dollars in food. You want to celebrate

Emancipation Day, a million dollars in food. That might have been okay a year ago, I am not complaining on that, but I am saying we dare not do that today and we are not doing that today because we cannot afford that today and it makes no sense. [*Desk thumping*]

I can tell you, Madam Speaker, I can tell you, we properly and satisfactorily entertained the Baptist Community at St. Ann's for the last holiday and they left there very highly respecting and happy. It cost us less than half a million dollars. A year ago, that was about half a million dollars. So clearly things can be done differently and we can get the same level of satisfaction, the same level of engagement by doing things differently. [*Desk thumping*]

So to come here and give the impression, and I want to say to the country, anybody who is trying to make you believe as a citizen of Trinidad and Tobago that it is "same ole, same ole", and that nothing has happened to make these changes relevant and required, as Lloyd Best would say, "Dem is people to watch". Anybody who is trying to make you feel that these deep interventions are unnecessary, they are not purposeful, they are spiteful or malicious, those are persons who do not understand that Trinidad and Tobago, we are in a very, very difficult situation and the circumstances can be quite serious if we mismanage our affairs.

I expect the toing and froing between the Government and the Opposition. Thankfully, the business community is not doing that. Thankfully, there are people in the country who are seeing the seriousness of this, because I have given a commitment to this country and I want to give it again to the population, as leader of this Government, as leader of Trinidad and Tobago's business, I will do everything that is required to ensure that this country does not end up in the arms of the IMF again. [*Desk thumping*] And if to carry out that commitment to the people of Trinidad and Tobago we have to endure the lack of support of some people that may be par for the course, but the bottom line is, the worst thing that could happen to the people of Trinidad and Tobago is to end up in an IMF programme. And to not end up in an IMF programme there are some things that we have to and we must do, and anybody who steers away from that, they are asking us to end up in an IMF programme.

You cannot have, Madam Speaker, a deficit in the budget where we are spending at \$60 billion but earning \$44 billion and do that for any lengthy period of time. We cannot do that, because if we do that—somebody on the other side asked a moment ago, a very valid question, how are we going to pay for the debt that we are incurring to close the gap? Because we are closing the gap by

SFC Report (Adoption)
[HON. DR. K. ROWLEY]

Friday, April 08, 2016

borrowing. And the very pertinent question is, if we continue along that road, what is the mechanism for closing the gap? And then, of course, if we cut—you have to suppress expenditure. You have to suppress expenditure. If you cannot see a growth of revenue in a reasonable time frame it will be irresponsible to go down the road with a budget of \$60 billion when the prospect of a revenue stream beyond \$50 billion is what you are looking at. And even if it means that we have to do things differently in the country that is what is required to keep us out of the hands of the IMF. [*Desk thumping*]

You see, I will tell you something, the things that they are complaining about now as though the Government is being spiteful and wicked and incompetent, the day we end up in the hands of the IMF, those transfers and subsidies, starting with the fuel subsidy and the WASA rate and the T&TEC rate and the recurrent expenditure for jobs in the public service, the minute we have to depend on an IMF programme for balance of payments support, the first day the IMF comes in here, they will say, if you want balance of payments support, these transfers and subsidies will have to go. And then overnight, there is no soft landing, you know, there is no easy landing, you know, it is crash landing and you have no choice.

As leader of this Government, as leader of this country's business, I will tell the population it is far better to do it as we are doing it now, taking some small doses of pain rather than expose ourselves to an IMF programme. [*Desk thumping*] At least if we make the adjustment ourselves we can control the descent to a level that we can sustain and we can talk about some element of managed landing. If we decided that, leave it as the way it is, because it was perfect on September 07, 2015, leave it that way, spend at the level of 60-odd billion a year, borrow as we are going out of style, borrow in secret, have the state enterprise sector spending billions unsupervised and unknown to the population and then one morning we get up and discover that we cannot make the debt payments. When a country cannot make debt payments you are in the hands of the IMF because that is where you will go running, looking for balance payments support, lender of last resort. This country has been through that before.

I was here in the Parliament before you all, you are new people most of you, I was here in 1987 when this country went to the IMF for balance of payments support. And I can tell you, if you think that was bad then, let it happen now and you will see how bad it could be. You see, if you do not have a choice you have to accept what comes your way, but we do have a choice and the choice that we have is to do what is necessary to avoid that and that is the commitment I give to the people of Trinidad and Tobago. [*Desk thumping*]

We started off this Government by a series of reaching out to various elements in the community and set up various consultative processes. Within five months we were being described by our opponent as a government of consultation. “Oh, the Government does not know what they are doing, the Government has no plan, they are only consulting.” Today, we are hearing that there was no consultation. You do not know who we consulted.

Mrs. Persad-Bissessar SC: Ask Remy.

Hon. Dr. K. Rowley: Remy? Since when you are listening to Remy? I can go back to the newspapers and quote all the things—“everybody in Trinidad and Tobago is my friend, I am the Prime Minister of Trinidad and Tobago”. [*Desk thumping*] “And by the oath of office I took, I am everybody’s friend, I cannot do what everybody say and I would not do what everybody say, but I mean to say—”.

Let me give you an example of a piece of advice we got as a result of the open-door consultative policy. We got a piece of advice about the Clico issue. And again I could tell my colleagues, especially the younger ones, I was here when we bailed out Clico. My colleague from Siparia was here as well. We got up one morning and heard that Clico had a cash problem and Clico was going to collapse because there was a cash flow problem in Clico and the Parliament intervened in a matter of 48 hours, I think it was, to bail out Clico. It was the Exchequer Account, taxpayers’ money that was used to prevent Clico from collapsing. At the time when we asked, what figure are we looking at?—we did not have a figure. And I remember, I was a Member of the Government in the back bench asking my colleagues and saying to them, in fact, that I am not going to vote for this unless somebody tells me, give me an idea what we are looking at. When the idea eventually came to us, we say it was about \$5 billion. And even then that sounded like a humongous bailout, \$5 billion. In the end, by the end we heard it is 20-odd billion.

So we bailed out Clico with taxpayers’ money. We did not decide to make Clico part of the state enterprise sector. It was a bailout and now more than ever we need to get back taxpayers’ money because taxpayers need their money. Fortunately, the Clico asset base had improved and we can now get back some of that money.

We are getting advice that we should convert the Clico assets that we have under our control and make them part of the state enterprise sector. Now that is the kind of advice we get from some people and to some people that sounds good,

SFC Report (Adoption)
[HON. DR. K. ROWLEY]

Friday, April 08, 2016

and it is good esoteric argument and so on, but convert Clico, the whole Clico shebang, the bank shares and Angostura, make them part of the state enterprise sector. How in heaven's name you expect us to take that seriously? But that is somebody's point of view. That comes out of the consultation. And we heard it, like most other things we will hear, we give due consideration to and we say no thanks.

Today, my colleague from Siparia ended a while ago, not a bailout, but a guarantee to Eximbank, where Eximbank intervenes by continuing to provide loan funding to an ongoing business, a going concern, to save 400 jobs. We have just lost 600 jobs at Arcelor Mittal. We have people outside and in this Parliament telling us that the Government must intervene in the ArcelorMittal situation. That is a \$3 billion exposure in an environment where the product, steel, is facing tremendous challenges from the world's leading steel exporter. But we are getting advice. What is the Government doing? What about the workers? And the same people who on one hand are exhorting to us to intervene in some way, they have not said how to intervene, but the Government must intervene in ArcelorMittal. Today, it makes a big presentation because the Government has intervened in Grand Bay to save 400 jobs.

So on one hand, do something without defining what the something is, to save about 600 jobs, but on the other hand when you do something about 400 jobs you get castigated. That is par for the course. The Government will make the decisions on a case by case basis and this Government, this PNM Government, will make decisions in the best interest of all the people of Trinidad and Tobago. [*Desk thumping*]

My colleague from Siparia spent a lot of time talking about the Minister. I dare say that the Minister, the Minister as a person, Madam Speaker, is irrelevant to all of this. Whoever the Minister of Finance was, would have been required to do what he did there today under good guidance. It has nothing to do with him and his demeanour and whatever, whatever. The Minister of Finance has issues to address.

6.30 p.m.

How do we feel as a people in this circumstance with what is ahead of us, hearing that we have spent \$31 million supporting fuel consumption where no—

Hon. Member: Billion.

Hon. Dr. K. Rowley: Billion—\$31 billion supporting the purchase of gasoline and diesel where, in this country, I know of no person—I know of no

person in this country who, when contemplating a trip from any point to the other point in this country, considers the price of fuel in the trip. I know of nobody in my circle, people I know, who, when you are planning to go somewhere in this country, that you consider the gas.

Hon. Member: “Dey only fill up and yuh gone.”

Hon. Dr. K. Rowley: When I was in England as a student many, many years ago, and there was a vehicle to be used to go anywhere, for fun or for work, the first thing that had to be dealt with—

Mr. Imbert: “Who paying for de gas.”

Hon. Dr. K. Rowley:—how would the gas bill be dealt with. That was normal. Right? It was normal. You are going anywhere with anybody’s vehicle, you had to contribute to the fuel cost, because fuel was a major component and the cost was borne by those. In this country, if we are saying now that especially because we cannot afford it, we must now be more concerned about how we use fuel and become more conscious, what is wrong with that? And while we say that, not up in the air alone, we are saying in those areas where people are locked in traffic jam, a lot of the fuel that we are subsidizing is being burnt up with cars in the same place on the same spot burning in the traffic jam.

I would love to see a good scientific study that shows the amount of fuel we burn here every morning and every evening in traffic jams, around Chaguanas, on the East-West Corridor, around San Fernando. So if we can, at the same time, intervene to debottleneck these areas, as we have mentioned, with a ring road around Chaguanas, with some outlets on the East-West Corridor, and the end result of that is easier traffic flow and we burn less fuel, at least we would be on the right track and we would end up using less fuel. And in the same way we have got a little price increase, you may find that on your pocket you are not paying all of the increase, because you are not burning and wasting fuel.

We also indicate that the Government’s policy is to push the country to using smaller, more fuel efficient cars. Who has a problem with that? And I will tell you something else too. I will tell you what we have done. As parliamentarians today, this Cabinet took a decision that no Member of this Government will access any loan to purchase any vehicle beyond 1999 CCs because if that is the policy for the country, then it applies to all of us. [*Desk thumping*]

Mr. Imbert: Lead by example—

Hon. Dr. K. Rowley: So anybody who wants to buy a bigger car, to buy a high end car, buy it with your own money.

Hon. Member: Ask them if they commit to that, “nuh”.

Hon. Dr. K. Rowley: No, no, I am not asking that. That is a decision made on this side, and all Members of the Government agreed that that is now—it is not law, but it is a commitment we made, that the same way we are encouraging the rest of the country to do that, we hold ourselves to the same thing. [*Desk thumping*]

And I will tell you something else. I want to rectify some misinformation which the Opposition and their spokespersons are peddling with respect to the Point Fortin Highway and the OAS contractor. To the best of my knowledge, there was an election in Trinidad and Tobago on the 24th of May 2010. On the morning of the 25th the whole country knew that the Government that was there the day before had gone out of office and there was a new government in office. The documents will show that the correspondence between an agency, NIDCO and OAS—those documents took place—the correspondence, the negotiations and the contract price and all of that took place under the new government.

Mr. Imbert: That is right. To the 24th of May.

Hon. Dr. K. Rowley: As a matter of fact, it was because there was no contract given to OAS why OAS travelled from Brazil, South Africa, to ensure that a contract was given to OAS.

Mr. Imbert: “You know ’bout dat?”

Hon. Dr. K. Rowley: And I asked the Prime Minister of the day a number of times about that and she never answered me about that stuff. But the bottom line is, now that somebody has got into one lawyer’s office in Panama and we see bag men from Trinidad and Tobago shuffling millions of US dollars to Panama. All of a sudden our colleagues will have the country believe that the OAS contract was a PNM creature. Nothing is further from the truth. [*Desk thumping*] The PNM had absolutely nothing to do with the award of the contract to OAS.

As a matter of fact, I seem to recall my colleague from Diego Martin East at the time objecting to the speed at which the negotiation was done for a \$7 billion contract. The Government of the day was boasting that they negotiated the details of that contract in three days. Now we are hearing and seeing on the world media that equipment bought from OAS—owned company—used equipment—was factored into that project at two or three times the price.

Madam Chairman: Hon. Member for Diego Martin West, your 30 minutes have expired. You are entitled to a further 15 minutes. You may continue. [*Desk thumping*]

Hon. Dr. K. Rowley: Now, you know, a former Prime Minister, Patrick Manning, used to always say in situations like these, you know, we should not be too harsh on the Opposition because they are required to say something. They must say something. They just cannot sit there and say nothing. But sometimes when they say something, the something defies logic and sometimes it defies even common sense. Now, why would the Member for Siparia today want to accuse this Government of setting the stage or engaging in fire sale of Clico assets?

Mrs. Persad-Bissessar SC: I said you cannot be too careful.

Hon. Dr. K. Rowley: This is the Prime Minister who oversaw from the Clico asset base, the sale of Valpark and Atlantic Plaza. Up to now there are questions about how that was done. Valpark was sold, Atlantic Plaza was sold and there are allegations of fire sale there. But worse, in seeking to use up the time that we generously gave to her today, she went on to say that the Minister of Finance, in today's proceedings, is doing something wrong, so very wrong, so very unusual, in saying that we are going to use assets—dispose of certain assets to raise money for budget support.

I want to ask my colleague from Siparia, when FCB shares were sold, was it not to get budget support when she was the Prime Minister, for recurrent expenditure? When Phoenix Park was sold—and let me explain to my colleague from Siparia in case she did not know, because she was so absent she might not know. Phoenix Park—they bought the shares at a high price and then in a fire sale sold it at a lower price to get money for budget support.

Hon. Member: Citizens' ownership.

Hon. Dr. K. Rowley: That might be one way of describing it, but the bottom line is, you bought it at a certain price and you proceed to sell it for less, and the reason why you did that was not “no” altruistic approach for citizens' ownership, because you did not give me any—I did not buy any—the bottom line is, it was to make good the gap between revenue and expenditure under your government. And at that time, oil price was much, much higher. I think the price then was about \$60-odd. It was falling from \$85 to \$60-odd.

So when you had \$60 oil, you were selling assets for budget support, but now we have oil at \$30 and it was down at \$28, and we are saying that we will continue to recover the cash we put out in earlier times, you are accusing us of fire sale? I think the Member for Siparia probably was pleading, that she was not prepared. But the bottom line is, having been here all along and not being a novice, the idea was that the Minister of Finance was doing what had to be done and outlining a plan as to how we will treat with our issue, bringing down our

projected expenditure from the budget of September last year where it was at \$63 billion, and we bring it down to—we are aiming to bring it to 59 because revenues have not improved. A budget is really an estimate. That is what a budget is. It is an estimate.

When we did the last budget last year September with oil at \$45, there was no guarantee the oil would have stayed there because the movement was down, and we said so. And that is why we placed so much store in saying we are going to come back to the Parliament in the mid-year review. By the time we got here six months later, the oil price had moved down from \$45 to \$27. Thankfully, it is moving back up a little bit. We do not know how it will be sustained; gas price down from \$2.75 to \$1.97. So let us not treat the national budget as cast in stone. These are estimates and depending on the outturn of revenues, we will cut our cloth on the expenditure side to ensure that we are in a sustainable position where we do not put our country in a position of having to look to the IMF at the end of the day for balance of payment support. That is the objective.

Finally, I want to make a comment on the foreign exchange. This is a country, for better or for worse, where everybody talks or acts on the basis as though we have to have access to foreign exchange. That is an unusual development. Only because the Government owned the State sector and hydrocarbon and collected the revenues and the rents on behalf of the population, that we developed this culture that foreign exchange must be available. That is not normal. But, in any case, the Minister of Finance has pointed out to us that the area from which we earned a certain amount of foreign exchange, that level of earning has moved down from \$20 billion to \$5 billion. That is the fact. It had nothing to do with me, personally, or with you. These are external pressures over which we have no control. But the fact is, we are down from \$20 billion to \$5 billion.

So why should we be surprised if foreign exchange is not as available now as it used to be? And what has to happen, the question is: what do we do with what is available? What is available in the reserves, we have to protect. That is the number one priority of the Minister of Finance. People are saying, “Well, okay, you have \$9 billion, why not spend it?” That sounds good. That is the road to hell that is paved with good intentions. If we do not maintain those reserves, then the risks of living in a condition far worse than what is being projected now, about pressure here and pressure there and suffer here—if you want suffering, let us lose those reserves and then have to look for the replacements from the IMF.

So, therefore, I say to the people of Trinidad and Tobago, let us acknowledge and accept that our circumstances have changed largely beyond our own control,

but what is within our control is our own behaviour. That is within our control. And we have taken responsibility, and we must take responsibility for the adjustment that is called for at this point in time.

Let us not say, well, let us go along merrily and have a good time and at the end of the day somebody else will do the adjustment for us. That is the one place we do not want to be, and there are too many examples of that. As a matter of fact, in Jamaica right now they are in an IMF programme and they are getting out of it, thank God, but the shots are being called and the targets are being set by the IMF.

We are better off. We can do our own adjustment. The adjustment is not—like most medicine, not sweet-tasting, but let us hope that the diagnosis is correct and that the prognosis is good. We are all in this together.

Mr. Al-Rawi: Well said. [*Desk thumping*]

Madam Chairman: Member for Tabaquite. [*Desk thumping*]

Dr. Surujrattan Rambachan (Tabaquite): Thank you, Madam Speaker. Madam Speaker, I am very delighted to join in this debate and wish to start by saying that we on this side understand, and do appreciate, the circumstances in which the country finds itself, and we are also appreciative of the fact that circumstances have changed, and we have appreciated this way back in 2014 when the first declines in the oil prices started and then hon. Prime Minister addressed the country with respect to that, and also put in a programme in which had cut expenditures and revised our budget expenditure in the year 2015.

6.45 p.m.

Madam Speaker, the hon. Prime Minister, Member for Diego Martin West, indicated that this midterm review created great expectations in the country, great excitement, great interest, and he is correct. He is correct. It was of great concern to the people because for the last seven months in this country the people have not had any direction and they have been at a loss. They have become hopeless. The people were very concerned and wanted to hear what the Government had to say because they have been disappointed with the Government in the manner in which the country has been governed, in the manner in which the economy has been managed, and one really has to ask the question: what has happened in Trinidad and Tobago over the last seven months?

The economy has virtually ground to a halt. It has ground to a halt and while the Government indicates that they are making plans from this point onwards, in

SFC Report (Adoption)
[DR. RAMBACHAN]

Friday, April 08, 2016

terms of what they are going to borrow and what revenues they are going to raise and so on, I really want to think otherwise and say what would have happened if in the process of doing that simultaneously, they could have kept certain aspects of the economy going especially in the construction sector where so many persons have now lost their jobs and where several contractors are on the brink.

The hon. Minister of Finance, when he spoke, talked about contractors who are on the brink in the energy sector, but not only in the energy sector are contractors on the brink, contractors in the construction sector are on the brink. In your presentation this afternoon, hon. Minister, we did not hear a glimmer of hope as to how you are going to meet the payment for contractors, because the contractors are very concerned. Very, very concerned. Most of them have now walked off jobs. In Mamoral, for example, where a bridge was being constructed, the work has stopped and the entire village is now inconvenienced because of the lack of activity; and in several parts of the country, in the same way, projects have been stopped. The question, therefore, for the people is: are the people better off? This is what they are asking. Are we better off today than we were seven months ago, or even in 2010?

They are not better off. And they are not better off because while they are prepared to make sacrifices, there is nothing that is presented to them to say that they are going to have a job tomorrow morning, that they are going to have food on their table tomorrow morning, that their children are going to be able to go to school because the transport prices have not risen up and the maxi taxis are going to be charging the same prices, that new buses are available. There is no glimmer of hope in sight that suggests that these matters that are of concern to them have been addressed by the hon. Minister of Finance. In fact, life is going to get harder as a result of what we have heard here today. [*Desk thumping*]

We are not preaching, or we are not wishing gloom and doom. We are not happy at all that that is going to happen. We want to do everything that we can also on this side to help in bringing this country out of the situation where it is going, but we are not seeing, except hearing today, as the hon. Leader of the Opposition said, hearing of the increase in diesel and gas prices. We have not heard anything else except a spate of promises that have been made in the past and just not realized. [*Desk thumping*]

[MR. DEPUTY SPEAKER *in the Chair*]

The hon. Prime Minister said that, as a result of the presentation by the Minister of Finance, that people are clearer on how their business is being

managed. Well, I want to ask: what are they really clear about? They are clear that they have to pay more money for US dollars. The hon. Member of Finance has very—how do I call it? By slay of the hand, or by some—[*Interruption*]

Hon. Member: Sleight.

Dr. S. Rambachan: Sleight of the hand. What he has done, he has effectively suggested to the banks that you can devalue the dollar to \$6.82. To be correct it is \$6.81559. Now, \$6.81559 is where the dollar has gone to. So tomorrow you are going to not pay \$6.61; you are going to pay \$6.81. But if you listen to Kumar Maharaj, former President, I believe, of the Supermarkets Association, he said they could not get dollars and he had bought US dollars for \$7.25, and he said, from a legitimate supplier, which means one of the cambios. Even when the rate was \$6.55, Unit Trust was selling at \$6.80. So what is Unit Trust going to be selling at now? \$7.25? So effectively, you have devalued the dollar. That is what you have done. You have devalued the dollar, [*Desk thumping*] but you have indicated that you intend to manage it within that range and let us hope that you are successful at doing that.

What people are clear about, business people are clear about, is that if they want US dollars they now have to go to Eximbank, and they have to take a loan from the Eximbank, and they have to pay a high interest rate on that loan, and now a higher rate for the US dollar which Eximbank can determine. It does not have to be \$6.81. Eximbank could determine, look, you know, the rate is \$7.25 and this is what you have to pay. Therefore, the cost of doing business is going to go up in Trinidad and Tobago, and therefore, the cost of living is going to go up in Trinidad and Tobago as a result of some of these decisions that you have made.

The hon. Prime Minister, the Member for Diego Martin West, said that we were not concerned about revenue. That is untrue. We were very concerned about revenue. You know, the IMF is selling a story that we did not save, or we undersaved, and we did not spend enough and so on. Well, you know, when we decided that we were going to resuscitate the oil sector so that in the oil sector we could get more drilling going, and we could get more rigs going and so on, and, yes, gave the accelerated depreciation, was that not spending in the interest of the country? [*Desk thumping*] When we decided that we are going to make sure we keep contributing to the Heritage and Stabilisation Fund, was that not saving for the future? [*Desk thumping*] So where is the IMF coming from?

We talk about foreign exchange reserves. Mr. Deputy Speaker, in May 2010 the foreign exchange reserves were \$8,999,800,000, or 12.7 months of imports.

SFC Report (Adoption)
[DR. RAMBACHAN]

Friday, April 08, 2016

During the time we were in office, for example, by April 2011 it was \$9.6 billion, up from \$8.9 billion, or from \$9 billion, giving you 13.9 months of import cover; and when we left office in September 2015, it was \$10.3 billion—and these are Central Bank figures [*Desk thumping*]*—*or 11.8 months' cover. Mr. Deputy Speaker, do you know what happened by December 2015? It went down from \$10.3 billion to \$9.8 billion, and right now it is \$9.373 billion.

Mr. Imbert: Where you get that from?

Dr. S. Rambachan: From the Central Bank figures. Mr. Deputy Speaker, the point I am making is that we saved and we left a heritage for the incoming Government. [*Desk thumping*]

Mr. Deputy Speaker, one of the points that I asked in an earlier question on foreign exchange was when the Minister of Finance said today, that look, the foreign exchange situation as far he is concerned remains the same, what we had in October—was it last year, Minister?—compared to what we have, 9.6 to 9.6, it remains the same, and I ask the question: well then, why are people not getting foreign exchange? I ask the question whether people are over invoicing and, therefore, hoarding, because where is the foreign exchange disappearing, because I wanted some foreign exchange to travel later tonight and I could not get it from the bank. I could not get it. But there are businessmen in San Fernando—Member for San Fernando West—who go to San Fernando, to Republic Bank, and they want to pay their foreign bills and Republic Bank tells them take a loan in US dollars and pay interest—let Republic Bank tell me no and I will call the name of the company which is in my constituency. The guy brought it to me—take a loan, pay interest and you will get the US money. That is not right on the part of advancing this country. [*Desk thumping*] It is not right. What is the Central Bank doing about that? What is the Inspector of Banks doing about this kind of violence against the business community in that kind of way?

It is nonsense for a bank to tell you that you can get the US dollars if you take a loan in US dollars.

Hon. Member: Shout man. Shout it again.

Dr. S. Rambachan So they are going to make more money.

Hon. Member: Shout it man.

Dr. S. Rambachan: I have every right to shout because I am shouting on behalf of the people who you are punishing in the country. [*Desk thumping*] That is the people I am shouting for, the people you are punishing in the country.

Who is doing the hoarding? Who is doing the hoarding? The hoarding has to be done by the people who have the money, the TT dollars to buy the foreign exchange, and probably who have the means by way of their business overseas to over invoice and so on, and make sure the money gets overseas. That is what you should be investigating. But when the former Central Bank Governor came out and spoke and gave the figures, for being a genuine whistle-blower, you fired him. [*Crosstalk*]

Mrs. Persad-Bissessar SC: I cannot hear the hon. Member and I would like to hear him. [*Laughter and desk thumping*] Please restrain the hon. Members. I cannot hear him.

Mr. Deputy Speaker: Member for Siparia—all Members, please, let us hear the Member for Tabaquite.

Dr. S. Rambachan: When the Governor of the Central Bank came out at the request of the then Minister of Finance and said where is the money going, and he came out and he gave the list—[*Interruption*]

Mr. Imbert: I never said that.

Dr. S. Rambachan: Okay, I am subject to correction. I withdraw it if you say so. Okay—and he gave the names of the companies, what happened to him? He was hounded out of office because of that, for telling the truth. And therefore, if the Government is very serious about finding out who is hoarding, then go back and look at the invoices of people.

This is why I said that maybe they have an inkling of what is happening, and by saying that they are going to let Eximbank be the one to give you the foreign exchange, or you borrow it from them, what they are trying to do is bring in a modified system of ECOs, exchange control once more, in a very smart way, or at the same time letting Eximbank become the check against that kind of illegal activity. [*Desk thumping*]

Mr. Imbert: What will you do?

Dr. S. Rambachan: What will I do? I will make people produce their invoices. I will make people show that the money they are asking for to buy is really the amount of money that they want.

Hon. Member: That is not an ECO?

Dr. S. Rambachan: It is just verifying, but what you are doing is something very different. You are telling people to pay interest on money they

SFC Report (Adoption)
[DR. RAMBACHAN]

Friday, April 08, 2016

are borrowing. Therefore, you are effectively raising the rate of the US dollar also. That is what you are doing, and that is a state company.

So under the measures—and listen, again, I want to make it clear you know. We are not saying that you do not have to introduce measures in the country, you know. We know you have to introduce measures in the country, but we are saying that you must balance the social needs of people with what is happening, and what is happening is that the poor and the vulnerable are under attack again as a result of what is happening here.

I was very surprised, I was taken back, when the Member for Diego Martin West, the hon. Prime Minister, got up here and said that we could make these statements about the poor and use that as an excuse. The casual dismissal of the poor and the vulnerable by him here today was something that, you know, shocking, casual dismissal. Very, very, casual dismissals of the needs of the poor. So the cost of living is inevitably going to increase, and that is due to the rise in fuel prices, the cost of doing business.

People are going to pay more for transport. You are not going to get away from that. The hon. Minister talked about rebating maxi-taxis and so on. I do not know whether it is in terms of the fuel they use, or the prices they pay for their vehicles or what have you, how you intend to do it. It is something that I wrote on my blog also I must say, that should be considered in terms of how you mitigate the cost to people.

Mr. Hinds: Oh, you had the blogger?

Dr. S. Rambachan: I blog under my name. I blog under my name and I am never afraid to give my best ideas to the country because the mark of a good citizen is to contribute to the country whether he is in Opposition.

Mr. Deputy Speaker, workers are also going to suffer under this programme. They have to pay more to go to work now. They have to pay more to go to work, so I am going to ask another question: for those on minimum wages, what is going to happen to them? Is the Government going to consider an increase in minimum wages so that the people who are living at the bottom of the rung of the economic ladder are going to have a chance to survive?

Under us, we increased the minimum wages twice [*Desk thumping*] in order to accommodate people, is the Government going to do that? And then I ask another question: is the cost of doing business going to rise? Because, when you have all these increases in cost and prices and so on, you have COLA. So COLA is going to

increase. Obviously, businesses are not going to want to absorb COLA. They are wont to going to pass on that to the consumer, but people are now going to ask for additional increases in wages.

7.00 p.m.

And if it is that the businesses cannot pay increased wages, are we looking, as a result of all these measures, to industrial strife down the road? Already the JTUM has signalled and they had asked the Minister to put off this presentation today and to consult with them because they indicated that there would be pressures because of the strong measures to be brought on the people, and they have been ignored. They were ignored by the Minister. And because they have been ignored, now the pressures are on, JTUM has said that they reserve the right to take such action as they deem necessary in order to protect the rights of the members and the rights of workers in the country.

Mr. Deputy Speaker, you know, the Minister of Finance talked about construction and housing and he kept referring to me and said I will be happy, because whenever I stood here, I spoke about the construction sector, and I still do believe that by increasing the availability of housing stock in the country through the private sector, you can get a lot of people back onto the job line. But let me say, like him, I was in construction since the year 1967 at the age of 18 with my father and my time to construction goes back and I have been constructing houses since that time in this country. I have an interest in construction and because I am now in the Opposition, I have gone back to look at construction again. And I applaud the Minister for looking at housing because housing is something that is needed in the country but it can get a lot of people back to work.

But in his presentation, the Minister referred to multi-family houses but he did not refer to single-family houses as benefiting and single-family houses are in great demand. So by excluding single-family houses from the package, he is excluding a large sector of the developers who would benefit from this particular benefit.

Mr. Deputy Speaker, at the same time, when we were in the office, we introduced a 2 per cent loan for people buying houses below \$850,000 and a 5 per cent loan—sorry. For people earning under \$10,000 was the 2 per cent loan and earning above \$10,000, the 5 per cent loan. That is through the Trinidad and Tobago Mortgage and Finance Company. But you know, the Central Bank has been operating with the repo rate as such that interest rates have risen in the bank. Not the Trinidad and Tobago Mortgage and Finance ones but the other banks. So people having to pay now 7.25 per cent and so on.

SFC Report (Adoption)
[DR. RAMBACHAN]

Friday, April 08, 2016

I would think what kind of strategy—that you want to increase the ability of people to buy and you want to stimulate the economy and you are raising mortgage interest rates on people.

Mr. Young: Deposit rates.

Dr. S. Rambachan: And deposit rates are right down. It does not work and the banks have no sympathy for you, you know. So I want to ask what is the Central Bank doing about this? So the Central Bank comes out and says we cannot tell the banks what to do. Surely you cannot tell the banks what to do but I am asking the Government to make a clear policy position about interest rates in the country in terms of mortgage interest rates on housing stock especially. Even the money that people have to borrow to do business has gone up so high.

We talk about sharing the burden, well if it is that over the next two years, the burden has to be shared, are businesses not also prepared to share that burden and particularly the banks? You know, everything you do in a bank now, you have to pay for. You even have to pay to deposit money in a bank now, you know. So mortgage rates, mortgage rates.

Mrs. Persad-Bissessar SC: So that is only if you deposit cash like the Minister? [*Laughter*] No, I am asking. Only if you deposit cash, you have to pay?

Dr. S. Rambachan: Maybe. [*Laughter*] I have to check.

Mr. Deputy Speaker, one of the complaints I heard from the manufacturing sector is that people are not trained and that productivity is a problem. Well, that is one area that the Government can get involved, in training people to get into the manufacturing sector. If you want to help the manufacturing sector, why do you not subsidize training for people to get into the manufacturing sector? Why do you not pay people who are now out of job a stipend to come in and learn those skills that the manufacturing sector requires so they can get into a job? People are willing to make the switch from the jobs that they have now to jobs that are available, and if you need to help them, invest in them and invest in the manufacturing sector.

I heard the Minister of Finance say somewhere, when he addressed the TTMA, that it is the manufacturing sector that is saving the country. Well that is true and if that is true, then help the manufacturing sector. Do not punish them by sending them to borrow money from Eximbank to make them go out of business more. But today, you came in here and while you said that you were going to somewhat prioritize who gets the foreign exchange—tuition and pharmaceuticals and so

on—I agree with that. But at the same time, you have to ensure that the manufacturing sector is taken care of. Just like you said you are supporting a loan for Grand Bay for US \$5 million. Well it is not just 400 people employed in the manufacturing sector, you know, thousands of people are employed in the manufacturing sector and those people need to be supported too. So you have to rethink and relook your policy in the agricultural sector.

One of our number-one priorities in this country right now should be our ability to feed ourselves, food security. Food security is a must in this country. Food security, and you can achieve this. There are people willing to plant. I heard the Minister speak about young people not wanting to get into agriculture. Well, Minister of Agriculture, Land and Fisheries, you have people doing agriculture at the university, these young people. Most of them do not go and work in a job in the agricultural sector. Right? Why not refashion the programme at the University of the West Indies? Make it into a four or even a five-year programme and after the first two years of formal training, let the next two years be two years in which they are given farms to develop and run and then go back and finish their degree. So that you get those people involved in agriculture. You give them the support that they require. *[Interruption]* Yeah, 200 acres of land in Trincity. So you get them going into agriculture and you give them the new technology and what have you.

You see, these are ideas we were going to implement. This is not my ideas, you know, these are ideas of the UNC and the People's Partnership that we were going to implement. So we are not coming to this Parliament to criticize you today, you know, we are going to tell you what we are capable of doing and how we intend to do it and we are not afraid to give our ideas. This is for the interest of the country. This is why we are called the loyal Opposition in the country.

Mr. Deputy Speaker, the Minister of Finance, when he spoke, talked about liabilities incurred by the previous Government and they were now trying to understand what these liabilities were. You know, that forced me to ask a very important question. Is it that the officers of the Ministry of Finance have not kept records or are they deliberately misleading the hon. Minister and the country? How is it that you do not know what the debts of this country are? That you come saying here all the time that we have incurred liabilities that you do not know about. That is absolute nonsense.

The Ministry of Finance has to know, at all points in time, the liabilities and the debts incurred by this country and to come here to say that in order to imply corruption and mismanagement and waste and so on is being a stranger to the

SFC Report (Adoption)
[DR. RAMBACHAN]

Friday, April 08, 2016

truth, and is misleading the mind of this country to think in a very evil way about the People's Partnership Government and that is wrong. That in itself is a mask for your incompetence in dealing with the financial situation in the country. [*Desk thumping*]

Then you say that there was a 2 per cent decline in GDP as a result of—in 2016, so far, you expect a 2 per cent decline in GDP as a result of a decline in oil and gas prices. Well, why are you not also admitting that the 2 per cent decline in 2015 was also due to a decline in oil and gas prices? Is there one reason for you why the decline and another reason for us when the same conditions existed? So again, you are being a stranger to the truth. You are only doing that to carry this campaign you have about waste, corruption, mismanagement which has now lost its sting because there is nothing to blame again. The facts and figures are bearing out what the truth in the country is. [*Desk thumping*]

You see, despite this 2 per cent decline that you say we had in GDP in 2015, the economic and financial fundamentals that we left remain strong and that is why the IMF said there was no crisis in Trinidad and Tobago. [*Desk thumping*] You are relying on the IMF report, well speak everything the IMF said—that Trinidad and Tobago is not in a crisis, that Trinidad and Tobago still has strong fundamentals, that there is a lot of fiscal space in Trinidad and Tobago.

Mr. Hinds: And that there is a new Government.

Dr. S. Rambachan: That is not doing very well. [*Laughter and desk thumping*]

Mr. Hinds: Far better than the last; that is why you are there.

Dr. S. Rambachan: You see, one of the things that the Minister of Finance and our colleagues on the other side keep doing is that they only keep referring to the last five years and then saying fiscal indiscipline in the last five years. Like they forgot what we inherited in 2010, you know. They forgot about the nearly \$70 billion in debt we inherited in 2010. They have forgotten that. They have lost memories of what happened prior to 2010. What happened to fiscal indiscipline? What happened to fiscal indiscipline when the price of oil was \$150 a barrel and gas price was \$10? What happened to savings then? What happened to investment then? Or was it that you are satisfied with the cost overruns and the numerous cost overruns that took place in the country?

Mr. Deputy Speaker, you know there is a government agenda that they have presented. The government agenda, perhaps, intertwines with the technocrats' agenda, but I want to tell you that we on this side are asking a different question: what is the agenda of the people? Because we did not hear a people's agenda here

today. We heard an agenda of the Government. The hon. Leader of the Opposition was right, you know. We heard about many consultations but we have not been able—we heard about addresses to the country but addresses are not consultations.

Mr. Deputy Speaker, we are going to fail as a country if we continue with a top-down approach to governance. The hon. Prime Minister spoke about that statement “we are in charge”, they are still behaving as if they are in charge but they “in charge” is an “in charge” that is underlined and surrounded and emboldened by the word “arrogance”. We are ready to achieve the depth of change that we need in the country and we accept that we need change. We require a consensus of the people. That is what we require, consensus of the people. And unfortunately, there are too many pseudo consultations taking place, just masking decisions that have already been taken. If we the people are expected to make sacrifices, then we the people must be integrally involved in the decision making, especially where pockets are being picked as they have been picked today and where hard decisions are being made for the future.

You see, in every society, like in Trinidad and Tobago, the people have expectations from the State. Let us face it, they have expectations from the State. But unfortunately in Trinidad and Tobago, something curious has happened. These expectations are no longer just expectations. They now appear to have the cloak of a state obligation. That is what has happened in this country, state obligation. And entrenched as they are now in the budget, they are going to be difficult to remove. What is happening now, some people are paying and some people are receiving. But in this country, the people need an agenda which if they do not get very quick, you are going to have problems. There is a bubbling volcano that is heating up and could spill over one day or the other. People are disenchanted, people are disappointed with the way state power is being used by the PNM. They are disenchanted.

Elected governments are supposed to be meeting the legitimate expectations of the people. This elected Government is not meeting the legitimate expectations of the people of Trinidad and Tobago.

Mr. Deputy Speaker: Hon. Member, your speaking time has expired. Do you intend to avail yourself of an additional 15?

Dr. S. Rambachan: Yes, Mr. Deputy Speaker.

Mr. Deputy Speaker: Proceed.

Dr. S. Rambachan: Thank you. Mr. Deputy Speaker, for the umpteenth time, I want to clarify a matter that was raised here in the Parliament and today, reference again was made to the OAS matter and to the Point Fortin Highway. When the hon. Member for Port of Spain North/St. Ann's West from the Prime Minister's office where he is also Minister, he indicated that OAS was paid \$5.1 billion thus far for the contract.

7.15 p.m.

Mr. Young: I did not say that. You would allow me to rise?

Dr. S. Rambachan: Sure.

Mr. Young: Mr. Deputy Speaker, thank you to the Member for Tabaquite giving way. That is actually an error that was made by the media in putting the question to the hon. Member. If you look at my statement that was delivered on that day of which there are hard copies, I said OAS was paid about \$3.1 billion or \$3.2 billion.

Dr. S. Rambachan: Well, interestingly enough I have your statement, hon. Minister, and I would like to pass it to you. But I will ask my colleague to just go through it and see whether that is in it at all and if so I would withdraw what I said. But I will read what you said.

To summarize, you said OAS was in bankruptcy and it was experiencing severe difficulty and rather than terminate the OAS, the former Government agreed to allow OAS to continue to contract for roughly the same sum as they were originally contracted for, \$5 billion. Right?

Mr. Young: Correct.

Dr. S. Rambachan: But you did not go on to say what you should have said, which is in Addendum II. In Addendum II it said that the local contractors who were going to be employed and with whom NIDCO had already done negotiations, that the moneys to be paid to them was to be deducted from the \$5.1 billion. [*Desk thumping*]

Mr. Young: Absolutely not. Not true.

Dr. S. Rambachan: Not true, not true.

Mr. Young: I hope it is not the Member for Oropouche who gave you that and told you that.

Dr. S. Rambachan: No. The amended contract price—I am reading from Addendum II, section 6, Consideration. The amended contract price shall be US

\$786,355,819 or \$5,032,677,241.60, excluding VAT, and so on. The work breakdown structure will be adjusted to account for the scope of works to be executed by the nominated subcontractors. The remaining amount of the WBS, the work breakdown structure, after the transfer of the portions of the works to be executed by the nominated subcontractors under this contract addendum shall first be applied to extinguish the outstanding letter of intent, debt and the balance is then paid to the contractor on a pro-rata basis in proportion to completion of the outstanding works and, so on.

So the amount that is paid to the subcontractor is to be paid. OAS was only paid \$3.482 billion thus far on the contract, \$3.482 billion. [*Desk thumping*] I do not recall hearing that nor seeing that in this statement. That is not in this statement. So, to suggest that OAS was paid \$5 billion is not at all correct.

I think, therefore, that the media should avail itself—I will give it to the media—of Addendum II. I will give it in the interest of transparency, give it to the media. So that, Mr. Deputy Speaker, I want to clear the air. OAS was not paid \$5.2 billion. And at all points in time, all of these payments were certified by AECOM who are the project consultants on the job. No payments were made to them unless these things were certified. [*Desk thumping*] I am reading this from November 2015, project status report of NIDCO, which was a monthly report prepared by NIDCO. So the information is there. The information is there.

Mr. Deputy Speaker: Members, on both sides, I would like to hear the Member for Tabaquite, please. Member for Siparia, please. Hon. Leader of Government Business, please. Proceed.

Dr. S. Rambachan: Mr. Deputy Speaker, the hon. Minister said that they were going to raise revenue by the sale of assets, and so on. Well, Republic Bank shares are going to give them \$5 billion, from what I understand. You have other Clico Methanol, \$2 billion. That is \$7 billion and then you refer to another \$1 billion otherwise. But one of the things I am concerned about and the country is concerned about is why do you sell a cash cow?

Mr. Imbert: A what?

Dr. S. Rambachan: Why do you sell a cash cow? Why would you want to sell Angostura? Why would you want to sell Angostura? Angostura, which is a profitable organization. Angostura, which you can maximize your returns from, you want to sell Angostura. Why do you want to sell Angostura? Angostura is a national icon in this country. This is probably one of the best things we have to reflect what we have achieved as a nation in the manufacturing sector. Angostura

SFC Report (Adoption)
[DR. RAMBACHAN]

Friday, April 08, 2016

Bitters, what have you, and you want to sell that. Why do you want to sell that? Mr. Deputy Speaker, we have to think carefully before we make those kinds of decisions.

Mr. Deputy Speaker, the hon. Prime Minister said that they do not want to get in the hands of the IMF. Nobody wants to get in the hands of the IMF. But you know what is interesting? The IMF, from everything that the Minister of Finance has said today, everything he has said in fact are IMF prescriptions. We are already being run by the IMF. This Government is not running the country, you know. The IMF is running the country. [*Desk thumping*] The IMF is running the country. It is true. If we put austerity measures in place, the bitter pill might be less than if we have to go to the IMF for balance of payment support. But let us not deny the hand of the IMF behind this Government. Let us not deny it. And they are calling the shots already. Because they are so brainless and clueless about what to do for the country they had to go to the IMF to do it for them. [*Desk thumping*]

What is wrong here today is that we are thinking in the old traditional prescriptions but we are not thinking out of the box as to what could be done differently in the country to ensure that we bring this country out of the economic gloom that the country is in right now. [*Desk thumping*] We need to do something. We need to do it differently and I have given you many ideas this evening, many ideas. [*Interruption*]

It counts because you do not have an appreciation of what counts in the country. That is why for seven months you have done nothing. [*Desk thumping*] All the Member for St. Ann's East has done in her ministerial portfolio is get free money to spend. [*Desk thumping*] "One hundred, two hundred and what million dollars" for Carnival alone. The Minister would not appreciate what it means to save and to cut and to save. She would not appreciate that.

Keep the people happy, that is what it is about.

We have to keep the people happy. But we have to do so in a way that makes sure the poor and the vulnerable are also happy in the country and today they are unhappy, very, very unhappy. [*Desk thumping*]

Mr. Deputy Speaker, in conclusion here this evening, there is something I wanted to share. The hon. Minister of Finance keeps talking about this letter of May 25. I have the letter. I have the letter that is signed on behalf of Mr. Milton Harris, Secretary of the Tenders Committee of NIDCO and this was on May 25, 2010. Do you know who was the Board of Directors then? The Board of Directors

was Prof. Chandraband Sharma, appointed by the PNM; Mr. Keith Eddy; Mr. Vijay Birsingh; Miss Yolande Marciel; and Mrs. Sonya Francis-Yearwood who is a public servant. They said here:

We are pleased to inform you that NIDCO had concluded the evaluation of package 3.

When did that take place? When did the evaluation take place? The evaluation took place prior to May 25th. [*Desk thumping*] And NIDCO gave the letter. Whether you take paternity of it or not is immaterial to me. But what is also important is that when OAS negotiated, I have even the names of all the members of the negotiating team. The negotiating team and the negotiations took place January 05, 2011 to January 14th. These are the negotiations. That is after you committed on May 25th to give them the letter. [*Desk thumping*] What would you do? Did you want the company then to go to court and say I have legitimate expectation because you have given me a letter stating that you are ready to negotiate with me? That is what you want to do? So there were no legitimate expectations? There are none?

Mr. Young: Thank you very much, Member for Tabaquite. If I may. Contract Addendum II on the same clause 6, it says:

The amended contract price, which is being paid to OAS shall be \$5,000,032,667 excluding VAT.

So when you add VAT, that is over \$5.1 billion. You are telling OAS on September 04, 2015, you are going to pay them that price with no deductions. And if you look at attachment 4, it sets it out very clearly. [*Desk thumping*]

Dr. S. Rambachan: And section 6 says:

The work breakdown structure will be adjusted to account for the scope of works to be executed.

[*Continuous interruption and crosstalk*]

Mr. Deputy Speaker: Members, Members. Member for Tabaquite. Member for Port of Spain North/East, please let us hear the Member for Tabaquite, please.

Dr. S. Rambachan: The work breakdown structure will be adjusted, as set in attachment 4, to account for the scope of works to be executed by the nominated subcontractors from the \$5.1 billion. What would have happened, OAS had the contract but the scope of works to be done by the nominated subcontractors is to be deducted from that amount. OAS was not going to get \$5.1 billion. The nominated subcontractors were going to be paid. So you are trying to distort it.

SFC Report (Adoption)
[DR. RAMBACHAN]

Friday, April 08, 2016

If it is you want to deal with OAS because they brought equipment from one part of the world to another part of the world and they had their own prices, deal with that. But deal with the truth about Addendum II. [*Desk thumping*] Deal with the truth about this. [*Desk thumping*]

Mr. Deputy Speaker, the hon. Minister of Finance has made a brave attempt here this evening in order to deal with—[*Continuous interruption and crosstalk*]

Mr. Deputy Speaker: Members, please. Members on both sides of the House, let the Member for Tabaquite finish his presentation, please.

Dr. S. Rambachan: The Minister had made a brave attempt to deal with the situation and we must congratulate him for his bravery. In reality, he is the de facto Prime Minister in the country. [*Desk thumping*] He is the de facto Prime Minister. [*Desk thumping*] It is clear that the rest of the cabal is answering to him and not to the Prime Minister. [*Desk thumping*] And the cabal really consists of the Front Bench, excluding the Member for St. Joseph. He is not in the cabal. [*Desk thumping*] This is why the cabal will move from there to here. So now it is the Member for Diego Martin North/East, San Fernando West, Diego Martin West. Arouca/Maloney is in the cabal also. Mr. Deputy Speaker, so I congratulate him for making a brave attempt here this evening.

Mr. Deputy Speaker: Member, you have one more minute, please.

Dr. S. Rambachan: I thank you, Mr. Deputy Speaker, for the opportunity. [*Desk thumping*]

7.30 p.m.

PROCEDURAL MOTION

The Minister of Finance (Hon. Colm Imbert): Mr. Deputy Speaker, although I would wish to move a Motion that all Opposition Members stop, I am now moving a Motion in accordance with Standing Order 15(5), and I beg to move that the House continue to sit until the completion of the debate on this Motion and on the associated Bill.

Question put and agreed to.

STANDING FINANCE COMMITTEE REPORT

(ADOPTION)

The Minister of Agriculture, Lands and Fisheries (Sen. The Hon. Clarence Rambharat): Thank you, Mr. Deputy Speaker, for the opportunity to deliver my maiden contribution in this House. [*Desk thumping*] Just to provide the context, Mr. Deputy Speaker, on behalf of the Ministry of Agriculture, Lands and

Fisheries, my contribution on this Motion is in this particular context. This Motion and the report seeks to increase the expenditure to the Ministry of Labour and Small Enterprise Development and the Ministry of Planning and Development.

The Ministry of Agriculture, Lands and Fisheries, in its plans for this fiscal year will rely heavily on trainees in the OJT programme, would require labour administration expertise of the Ministry of Labour and Small Enterprise Development and the retraining expertise of the Ministry of Labour and Small Enterprise Development. In relation to the Ministry of Planning and Development, the Ministry of Agriculture, Lands and Fisheries will in this fiscal year require IDB facilities supported by the Ministry of Planning and Development, town and country planning services, land-use planning and the research of the IMA in order to support the fisheries sector. So it is in that context, Mr. Deputy Speaker, that I am joining the debate on this Motion.

Mr. Deputy Speaker, much of what I say in my contribution will not be disputed on both sides. The experience in relation to agriculture, land, fisheries and forestry across administrations has been much the same to the point that we find ourselves in a position where agriculture contributes less than .4 per cent to GDP. Our food import bill is over \$5 billion—and I will make some comments on that food import bill. Over the last five years, even this very low agriculture contribution to GDP has consistently declined, and it is not a problem that has faced a particular political administration. It is a problem that has faced the country, and what makes it very important is that each of the Members of this Lower House has a vested interest on behalf of their constituents in the success of this particular Ministry.

Agriculture also forms the cornerstone of the Government's thrust towards rural development, and this Government intends to transform agriculture into an economic growth sector. The Government's policy framework is increasing agriculture's share of the GDP, increasing employment in the sector and increasing the contribution of agriculture to economic growth and development in rural Trinidad and Tobago. In addition to that, the Government's approach to this food import bill is firstly to understand the components of that food import Bill.

Every Minister who has held this portfolio in the last 20 to 25 years, has aimed to decrease the food import bill. But the reality, Mr. Deputy Speaker, is that the food import bill has components over which we have no control in this country. Because of the makeup of the food import bill and because of what

comprises the top 10 imports in relation to food, there is very little control over some of the things that we import.

So let me share with you the top 10 imports. Food that is used for value-added processing mainly for export purposes: wheat, cheese, maize, soya beans, alcoholic and non-alcoholic beverages, beef and pastry. Those are the top 10 things that this country imports under the food import bill.

Mr. Singh: Could you repeat?

Sen. The Hon. C. Rambharat: Food that is used to support value-added processing for export purposes: wheat. I think you all know that. You do not see wheat growing around this country—cheese, chicken, maize, soya bean, beverages, both alcoholic and non-alcoholic, beef and pastry. So there are things in this food import bill—I do not want to go today into everything but, as you know, Mr. Deputy Speaker, one of the very first things the Ministry did was to appoint a cross-sector committee to look at this food import bill.

Mrs. Persad-Bissessar SC: Hon. Minister, would you give way? Could you kindly describe the pastries—like frozen pastry or is it already made and just to stick in the oven? What kind of pastry? I find it unusual for that to be so highly on top, at the top 10. I make pastry.

Sen. The Hon. C. Rambharat: I understand your position, Member of Parliament for Siparia, which reinforces what I have said. Most politicians who have spoken about the food import bill have not analyzed the food import bill to determine. So pastry is made up of all the things that you have said, frozen—[*Crosstalk*]*—*and that is the reason why the Ministry has had to appoint a cross-sector committee to review this food import bill that everybody talks about because in there, there are things over which we have control and there are things that we will continue to import.

If we have to continue to import, for example, wheat, maize, oils, some meats, over which we do not have control over the price—and we have all discussed the foreign exchange situation today—without control over the need to import and without control over world market prices, and with increasing loss of control over the exchange rate, you would find that you cannot control the food import bill. But what we can do in relation to the food import bill and the things that we import, the country can identify those commodities in which we can produce local alternatives to match what is imported.

It is not the old days where we could erect trade barriers. It is not the old days where we could protect local industry through tariffs. We have to allow trade, and

we have to allow the importation of food commodities into the country, but what we can do and what the Government intends to do is to provide local alternatives which can sit side-by-side with imported food products and compete on a level playing field and that is the approach. The approach is to stabilize the sector, to understand what are the problems associated with the sector and create the policies which will allow us to boost food production and make the sector more sustainable.

And, again, in July 2014, long before I came in the other place, when I worked with the PNM on the development of the party's agriculture policy, I went around the country. I started at Marper Farms in a meeting with the Plum Mitan farmers.

Mr. Singh: Why are you killing Marper now?

Sen. The Hon. C. Rambharat: Marper is far from dead. I went to Plum Mitan and met with the farmers who are now the constituents of the MP for Cumuto/Manzanilla, and those farmers outlined for me 22 areas which they feel that we should address in a policy document. The 22 areas when presented to me were no different from what had appeared in policy documents long before, what had appeared in manifestos and what had been discussed at conferences and within the Ministries and across the country and in this House. The point is that the issues have not really changed in relation to agriculture, food production, fisheries and forestry.

If I have to summarize the four main areas, Mr. Deputy Speaker, what the country has said to me—and I have gone out and many of you have seen me because I have been in your constituency. Since taking office myself, the Parliamentary Secretary and the Permanent Secretary and the other technical officers of the Ministry have held more than 90 outreach activities across this country. If I could summarize the issues facing the farmers and fishermen and state land users in this country, deal with land tenure and land administration—and that affects every single Member of this House and their constituents—finance and marketing for agricultural products including those relating to fisheries, dairy and livestock, the absence of technology and innovation in the sector and the persistent issue of the lack of labour in the sector, those are the four issues. It does not matter which corner of the country I have gone to, those are the four issues and those are the four issues that we have to deal with.

Mr. Singh: I want to thank the hon. Minister for giving way. If those are the four principal issues, I think that one of the critical things that is not provided in

SFC Report (Adoption)
[MR. SINGH]

Friday, April 08, 2016

agriculture is an organized water system for agriculture, and from my experience I can tell you that is a major hindrance to agricultural productivity. [*Desk thumping*]

Sen. The Hon. C. Rambharat: Thank you. So let me first on the issue of land tenure and land administration, Mr. Deputy Speaker, paint the picture of where we are. I think every Member in this House will concede that as a country we have not done well on the issue of land tenure, in particular, land tenure and security of tenure for farmers and, generally, on the issue of land administration. As a country we have not done well.

Let me give you some of the numbers. In 2003, when Caroni embarked on its VSEP programme, the offer to the workers of Caroni (1975) Limited of the opportunity to have a lease of two acres of land for agricultural purposes and the offer of the opportunity to those workers to have a residential lot of land brought close to 17,000 new files into the land administration system of the country. To date, the commitment is to 7,426 former workers on two-acre parcels of land and 8,885 workers on residential lots. So that brought into the land administration system of the country an additional 17,000 files.

With the transfer of Caroni's 76,000 acres of land to the State for management by the Commissioner of State Lands, it meant that a total of 30,000 land files came onto the system of the State administration of land, and those 30,000 include those 17,000 files created under the VSEP; files for persons who rented land from Caroni for the cultivation of sugar cane, and that number is close to 6,000; squatters on Caroni (1975) Limited land and that number is about 5,000; and residential tenants of Caroni and that number is about 6,000. So it means just Caroni and its VSEP generated about 30,000 land files for management by the State.

Then we have PSAEL. I know a lot of people think about PSAEL, and it means Palo Seco Agricultural Enterprises Limited. A lot of people think of PSAEL in the context of agriculture, but PSAEL holds the former assets of Trintoc and Tesoro and holds the asset that once belonged to the farm known as the Tesoro Star Farm and those are about 5,000 acres of excellent agricultural land in southwest Trinidad, crisscrossing constituencies of a number of Members who sit on the other side, and those lands are sitting there without having been activated and placed into agriculture. Those lands are under the management of PSAEL.

Then you have other lands which have always belonged to the State and under management by the State, and those include a series of agricultural projects across

the country. The Bristol food project in the constituency of Mayaro, Point Fortin food project, Chatham food project, in Los Iros, several food projects, all through Wallerfield, agricultural land, but it also includes a series of residential plots, in particular, in areas like Curepe, in the St. Augustine constituency—a number of plots across this country. The Member for St. Augustine will know, those people who reside on state lands which have been leased to them for residential purposes around that UWI area, thousands of leases expired and have not been renewed for a very long time.

7.45 p.m.

So that is the situation with land tenure in this country, agriculture and non-agriculture, everything dealing with the State's land assets, whether it is the former Caroni lands, lands under EMBD, PSAEL, former Trintoc and Tesoro lands under management by PSAEL, or the lands which have always been managed by the State, it is chaos. The system broke down a very, very long time ago. If I will tell you, Mr. Deputy Speaker, one of the most difficult—for some of us who have been involved in the public sector—one of the most difficult things to do with a parcel of land in the state's system is to take it up to getting Cabinet approval for the grant of a lease. That takes a very long time, and every transaction relating to state land in this country must be approved by the Cabinet.

We have found transactions which have gone to Cabinet and have been approved by Cabinet since in the 1990s, more than 3,000 files, having already gotten Cabinet approval and not advancing beyond that point to the creation of a lease to be placed in the hand of the occupants of those lands. That is the situation we found ourselves in, and in order to deal with that, and in order to resolve this issue of tenure, in particular, to persons who are seriously interested in agriculture, we need to provide the policy and the resources to the Commissioner of State Lands in order to get things moving.

But I will tell you what we have done so far, since I came from the Caroni system, and I understand all those transactions well, one of the first decisions we made as a Government was to remove those Caroni files, all 30,000 Caroni files, from the office of the Commissioner of State Lands and place it back into Caroni for administration, and that includes those 7,426 two-acre plots, the residential plots, and all those other transactions which we need to get moving along if we have to clear this backlog. Just moving those files, Mr. Deputy Speaker, will allow the Commissioner of State Lands to resource his office, staff his office, provide the resources, and get the grant of state leases for agricultural lands moving along again. [*Desk thumping*]

SFC Report (Adoption)
[SEN. THE HON. C. RAMBHARAT]

Friday, April 08, 2016

In there, there are small plots; we have plots in Wallerfield, in Carlsen Field, and all those areas across Trinidad where leases have long expired, and those farmers have become demotivated because they believe every businessman in this country wants to make an investment based on certainty. And they feel, through successive administrations, demotivated by the fact that we have not been able to generate a lease, a renewed lease, a new lease, something upon which they could make their long-term investment in agriculture. Land tenure is critical, and that is what the farmers across this country, irrespective of constituency and MP, have said to me as I have gone out to discuss with them, and the way forward is to make sure that as a priority the Government grants tenure to these farmers.

But the Member for Caroni Central was with me on Wednesday at a forum in UWI, and he heard me made the point, which was reported, I believe, in today's *Express*. We have to be careful, because not everybody who wants to hold a lease of agricultural land is interested in agriculture, and that is where we have found ourselves with this Caroni VSEP. That is where we have found ourselves because by making the lands easily transferable, some of those leases, and I had given a figure, when I became Minister in September, I met 1,400 of those leases already transferred by the ex-Caroni worker to a new owner. As we grant these leases I have not been seeing the type of agricultural activity on these two-acre plots that was envisaged in 2003 when the policy decision was made to grant those two-acre plots.

So that is critical, and what I have said in relation to that is that the Government does not intend to just stand there. The Commissioner of State Lands has the authority in this country to enforce the covenants in those leases that says that those lands must be put to agricultural use. I have said as Minister, on behalf of the Government, that we will provide the Commissioner with the resources to ensure that those covenants are enforced and those lands remain in agriculture, because putting those lands into agriculture is an important public policy element of boosting food production in this country, and it is important that we do that. [*Crosstalk*]

That is the issue of lands, Mr. Deputy Speaker. [*Crosstalk*] Let me now talk about finance and marketing. Previously, in the other place I have talked about the ADB, and I have talked about how the ADB found themselves in a position where it was granting loans which were unrelated to the business of agriculture and fisheries, and the things that ADB is required to do. [*Interruption*]

Mr. Deputy Speaker: Members, please, we are going fine. Go ahead, hon. Minister. [*Desk thumping*]

Sen. The Hon. C. Rambharat: Since then, Mr. Deputy Speaker, since in October 2015, when I expressed those concerns about ADB several things have happened. The first, of course, is that a new board was appointed to ADB. [*Desk thumping*] The second thing is that, as Minister, I gave ADB, the new board, a written mandate, and part of that mandate pointed the board to the statute which creates ADB in order to ensure that the board complies with the law, in particular, the areas in which ADB is entitled to lend and the reasons for which they are entitled to lend.

In addition to that, in that written letter of mandate I have said to ADB that what you must focus on, providing loans which are specific to certain commodities in the country. You are to provide loans in relation to specific activities in alignment with Government policy. In order to encourage activities in certain areas you must create the appropriate lending policy to support that.

I have also said to the ADB, as I have said to everybody within the Ministry, and all agencies under the Ministry, across the country farmers and fishermen and state-land users have said to me, nobody comes out to us. So if you are doing business with ADB, and the MPs from the south would know, everybody doing business with ADB in south has to go on Ciperio Street to a branch of ADB, everybody. The Member for Cumuto/Manzanilla would know, everybody doing business with ADB in the north-east Trinidad must go on an office in Sangre Grande. It is important that all the agencies of this Ministry go out, in the outlying parts of this country, and interact with farmers and fishermen, and everybody else who wished to use the services of the Ministry, and not sit there and wait for farmers and fishermen to come to them to use the services. That is a common complaint across the country.

On the issue of marketing—well, NAMDEVCO has been in existence for a long time, and NAMDEVCO is a specialized agency responsible for market development. NAMDEVCO is supposed to do, under the law, a series of things, and, again, the very first thing the Government did in relation to NAMDEVCO was to appoint a new board, and once the new board was appointed, as Minister, I again issued a written mandate to the board, saying, just like ADB, this is the law, this is what you were set up for. You were set up to market, you were set up to develop markets, you were set up to support export activity, you were set up to deal with the issue of data collection, and to ensure that planting and production decisions in the country are driven by data relating to demand and potential prices, and production in the country will not be driven by pricing which attracts a lot of farmers to plant a particular commodity and create glut situations.

SFC Report (Adoption)
[SEN. THE HON. C. RAMBHARAT]

Friday, April 08, 2016

So NAMDEVCO is a very critical part of the marketing activity, but NAMDEVCO is also a critical part of the packaging and agro-processing. So the Government has a policy called Farm to Table, and that policy is driven by something we all know. When we talk about the price of fruits and vegetables in this country, when we talk about the price of fish, and meat, and many commodities, it is driven by the fact that there is a big distance between the farm and the consumer. A lot of things pass through a series of middlemen, and each middleman marks the price up, so that when it ends up in the hands of the final consumer the price is much higher than it is at the farm gate. That is one reason, but another reason why we have fluctuations in prices is because a lot of these commodities have a very short shelf life, and the farmers do not have the resources to chill, to package, to process, to store, and extend the shelf life.

So the fishing industry is a classic example. When you go on the coast and you see that all these fish landing sites across the country, when the fish comes up there is a middleman waiting with a van and a container, and ice, to buy all this fish, take it off and do the reselling at a much higher markup. And, again, the approach of the Government, recognizing the proliferation of middlemen; recognizing that the primary food producers of the country are at mercy of the market because of their inability to store, package, add value, and get a better return of their investment; the role of the Government is to promote processing, [*Desk thumping*] packaging, chilling, storing, branding, extending the shelf life, and to ensure that primary producers can reach consumers without the proliferation of middlemen, and can reach consumers without the urgency of facing a product spoiling on their hands because of their capacity to store.

I will use an example, for example, in Guayaguayare—my friends on the other side know this story—in 2011 or 2012 a \$60 million fishing facility was opened at Guayaguayare, a place where abundant fish was supposed to land and go through processing, and so on, but, as I have said so many times, not a fish has landed in that the facility. The fishing activity continues to take place 200 feet to the south of that facility where it has taken place for the last 100 years. This Government, and in this House I answered a question from the Member for Mayaro some months ago where I said that by June, 2016, the Government would have put that facility in Guayaguayare into a position where it could be used with the exception of the jetty, which will take more time to be serviceable. But that facility in Guayaguayare, Mr. Deputy Speaker, will be outfitted with the facilities to allow the people of Guayaguayare to smoke fish, to chill fish, to salt fish, to create smoked fish. [*Laughter*] My friend from Oropouche West is getting excited about Guayaguayare and smoking. [*Interruption*]

Hon. Member: Oropouche East.

Sen. The Hon. C. Rambharat: East, sorry.

Mr. Deputy Speaker: Hon. Minister, your speaking time has expired, you tend to avail yourself of the additional 15?

Sen. The Hon. C. Rambharat: I do.

Mr. Deputy Speaker: Proceed.

8.00 p.m.

Sen. The Hon. C. Rambharat: Thank you very much. [*Desk thumping*] And that relates to the issue of marketing, Mr. Deputy Speaker. And on the issue of labour, everywhere across this country there is a knee-jerk reaction and we talk about labour in agriculture. Everybody expects that there is an automatic transition of CEPEP workers into agriculture. And the reality is that it would not happen. The nature of farming and the demands of farming and everywhere I have gone, across every constituency represented here, the farmers have said to me, labour is an issue. They have also accepted that CEPEP is not going to be an automatic fit.

So I will tell you the Government's approach to the introduction in a pilot programme of CEPEP in agriculture and it deals with cocoa. When I look at CEPEP and the introduction of CEPEP in agriculture, Mr. Deputy Speaker, I have always said, when I have had to speak about CEPEP, that the Ministry is looking to use CEPEP in defined activities, in defined activities where we could measure the production. So in other words, use CEPEP where we have a defined output.

And as I have gone across the country and I have met with the cocoa farmers, one issue has been continuously raised with the cocoa farmers. And just for the record our current production of cocoa is under 300 tonnes, but the potential for this country's cocoa still remains the same as a foreign exchange earner. I do not expect that we will reach the grand heights before we had oil and gas, but I expect that with some work we will be able to increase production of cocoa and earn foreign exchange from cocoa. Not only that, increased activity in those rural communities that still have viable cocoa estates, and many of those estates sit in areas under my friends on the other side. So I tell you about cocoa and CEPEP.

In the PNM's manifesto we have talked about and we have given a commitment on providing support in estate rehabilitation, and the way the Ministry is going to introduce CEPEP into agriculture, on a pilot basis. We have

SFC Report (Adoption)
[SEN. THE HON. C. RAMBHARAT]

Friday, April 08, 2016

selected the Montserrat Cocoa Farmers Co-operative Society Limited. We have selected the San Juan Estate, both of them in Gran Couva, and we have selected a group of 20 farmers in the Ecclesville area in the Mayaro constituency. And those farmers have close to 200 acres under their control and we are going to introduce CEPEP into those three areas. And we are going to use CEPEP in the case of the Montserrat farmers for estate rehabilitation and for planting of new areas. We are going to use it in the San Juan Estate, and San Juan Estate is an award winner for chocolate in this country. It is a 1,000 acre estate in Gran Couva, very little reliance on the State. And that estate has a particular problem. The owners of that estate will be not be able reap about 500 acres of their crop this year because of labour issues.

And then in the Ecclesville area those farms are perfect for estate rehabilitation and replanting. But this is the way we are going to introduce CEPEP. Government is going to allow those farmers to locate their own labour. In other words, this is not existing CEPEP workers being put on this estate. These are the farmers finding labour in their area. That labour will be contracted by CEPEP and allowed to work on that defined activity on the estate. And CEPEP is going to pay those workers the existing wages, but more importantly, the estate owner is going to also pay wages to the workers. So the workers—[*Interruption*]

Mr. Indarsingh: Tell us you are going to close down CEPEP.

Sen. The Hon. C. Rambharat: These are CEPEP, these are workers who are going to be identified by the estate owners. They are going to be engaged by CEPEP, and they are going to be put to work on those estates and paid by CEPEP at current rates and an additional amount by the estate workers. So the rates that they will be paid at are going to be higher than the CEPEP rate.

Mr. Singh: Who will have direct management?

Sen. The Hon. C. Rambharat: The farmer. And it is very important and CEPEP is also going to work with this Ministry in order to train those workers for specific work on the cocoa estates. [*Desk thumping*] And I have just used that, [*Desk thumping*] Mr. Deputy Speaker, I have just used that—in this fiscal year we would use that for the introduction of CEPEP in agriculture. We will use it a sector where the results could be measured and as the model works it will be deployed across other areas on the same basis. But we have to be careful that we provide these farmers with the appropriate labour that is required for agriculture.

And let me as I close, Mr. Deputy Speaker, talk quickly about reforestation. Now, the Member for Chaguanas West will recall that the national reforestation

programme in 2014 was extended and the programme at that time, notwithstanding that programme was created in 2003 with the intention of cultivating 30,000 acres of lands, in 2014 it was found that only 9,000 acres had been cultivated.

Immediately upon taking office, we conducted a review of the work in that national reforestation programme and we have had mixed results, but the general tone of the interim report I have received is that the programme has not met its target. And one of the main reasons it has not met its target, is that programme has operated separate from the Forestry Division. So the technical resources to manage a reforestation programme resides in the Forestry Division, but the national reforestation programme has existed outside of that and we have now brought that programme under the Forestry Division to be managed by the Forestry Division. We are reviewing the terms of the current contractors. We are reviewing the programme and we will make a decision on how we go forward. But, I will make it clear, Mr. Deputy Speaker, there is no intention of the Government to contract that programme, but to change the level of unemployment which is just under 2,500 at this stage.

In addition to which, on the election campaign the Government talked about commercial forestry and we have taken steps to action that commitment we have made. So in this fiscal year in order to support the development of planting for commercial purposes in areas not currently under cultivation in forestry, the Government will establish two nurseries for the production of seedlings. And those two nurseries will be in the Ecclesville area in the south-east and in Moruga, also in south-east. The establishment of those nurseries and continued work at those two nurseries will generate sustainable jobs in the south-east area, and the cultivation, the planting of this new type of forestry will also generate sustainable jobs in forestry.

I will close very quickly, Mr. Deputy Speaker, on this issue of hunting. I know my friends on the other side are very familiar with it. When we came out of their two-year moratorium, the country was saying, asking me: what you are going to do? I said, there was no basis at that time to do anything. The moratorium has expired. We have gone through a season of hunting. There have been mixed comments across this country. But at the end of November, 2015, about six weeks into the hunting season, the Ministry asked the Zoological Society of Trinidad and Tobago to convene a meeting of stakeholders. We had 75 interest groups represented at that meeting. There were full, frank and lengthy discussions, out of which a report was produced. And upon reading that report, I asked a very small

SFC Report (Adoption)
[SEN. THE HON. C. RAMBHARAT]

Friday, April 08, 2016

committee made up of the various interest groups to plan a way forward with certain recommendations out of that report.

So, Mr. Deputy Speaker, I could say with confidence that the Government intends to implement changes to hunting and wildlife in general in Trinidad through legislative and other administrative changes that would be made before the start of the next hunting season. [*Desk thumping*]

Very quickly let me end on the issue of fisheries. While we have spent a lot of money across the country on the development of infrastructure for fisheries, the development of fish landing sites, the improvement of fish landing sites, we have not tackled this issue of the declining catch. And it is a fact the research has demonstrated, and the Member for Chaguanas West knows, that the breeding ground and the threats to the breeding ground is a major factor in the decline in breeding stock. So while we have made this investment in infrastructure, Mr. Deputy Speaker we have to put this issue to rest. And I again give you the assurance that in this fiscal year we will bring to Parliament the appropriate legislation to once and for all settle this issue of the damage to the breeding grounds around Trinidad that is a major factor in the declining breeding stock and the decline in stock and the fact that the fishermen, notwithstanding all investments around the country, continue to bring in smaller and smaller catches.

In closing, Mr. Deputy Speaker, as I have said at the start, this issue of agriculture, state land use, forestry and fisheries cut across the political sides. Each Member of Parliament in this House is affected by it. I have received letters from each MP in this House on issues of land tenure, farmers issue, incentives, subsidies, a wide range of issues, and unless we resolve those major issues, we would not be able to boost food production. The Government, after seven months, has demonstrated a very clear understanding of the issues. We have demonstrated the capacity to interface and understand the issues from the farmer's perspective. We have put in place the policy framework. We have developed a PSIP agenda that will make a difference in this fiscal year, and at the same time the Government is putting in place its plan for the sector—[*Interruption*]

Mr. Deputy Speaker: You have two more minutes.

Sen. The Hon. C. Rambharat:—for 2016 to 2020. I thank you very much. [*Desk thumping*]

Dr. Roodal Moonilal (*Oropouche East*): Thank you very much, Mr. Deputy Speaker. Mr. Deputy Speaker, it is a pleasure to contribute to the debate on the Motion before us, to adopt the report of the Finance Committee.

Today, we were called to the Parliament to debate the report of the Finance Committee. Upon coming to the Parliament the Minister of Finance, just to recap for the day, the Minister of Finance and the Government sort to suspend the Standing Orders to permit the Minister to speak for 90 minutes and not 45 minutes, as if to suggest that this was somehow a virtue, they extended that to the first speaker from the Opposition as well.

The Minister of Finance called us today, not to examine the report of the Finance Committee, but to raise the price of gas. Because the effect today at midnight on this day, the only thing that would have changed in this country is that the cost of transportation would have escalated for the people of Trinidad and Tobago. [*Desk thumping*] That is the only change today. There may be other changes in the weeks and months ahead, but the only change today is that the cost of living as we know it, went up today. [*Desk thumping*]

It is the second time that this Government has done this in the seven months that they have been in office. It is the second time. Whereas the former Partnership administration increased the minimum wage on two occasions in five years, [*Desk thumping*] increased the minimum wage on two occasions, it took them seven months to undo the effect of an increase in the minimum wage by the former administration. [*Desk thumping*]

8.15 p.m.

So, in seven months they have wiped out the impact of minimum wages; they have wiped out the salary and wage increases negotiated by trade unions, and the Member for Couva South will speak to that issue later. And, that, Mr. Deputy Speaker, is the net effect of what we are here today for.

The Minister of Finance used the opportunity, stretching himself, by every 10 minutes pulling a piece of paper from in the drawer, which was really the Bill. Every 10 minutes he strained himself to remind us of the \$40,000 that we have to send to the Ministry of National Security, but used this opportunity to pronounce on policy measures, of which the Member for Siparia told the country that nothing is new. Today there is not one new policy, one new programme, one new initiative. [*Desk thumping*] He came with nothing new. In fact, not even his suit or his tie is new today. [*Laughter*] Nothing new on this day, but to raise the price of gas and to raise the price of diesel.

And, Mr. Deputy Speaker, this is the con job that we have had after seven months. Today this country is unrecognizable from the country we left when we were in Government in September 2015. [*Desk thumping*] Unrecognizable. And,

SFC Report (Adoption)
[DR. MOONILAL]

Friday, April 08, 2016

today, Mr. Deputy Speaker, we have had over 8,000 workers going home, businesses closed, people are committing suicide on the basis of their economic distress [*Desk thumping*] and what did we get today from the Government? Increased the cost of gas, so that tonight the maxi-taxi, I am told now, is already charging more; the PH taxi, which is not regulated, costing more tonight for people to go home, who will then lose their jobs.

And, this issue of job loss is the critical issue of this day. Today the Government gives no new economic incentive programme; no new economic plan to help bail out business. When we listened for a plan today, the Minister of Finance said he is now the Merchant of Venice, or is he now the “Merchant of Port of Spain”? He is giving out US dollars now. That is what they are doing. The Minister of Finance will take a state agency to give out US dollars. So, if you know the chairman, and directors, and management of this state agency, you will get US dollars; and if you do not, well, you will not get any. We are going back to those bad old days when you have to know somebody in the Government on the board, in the management of the Eximbank, to get US dollars.

That is what we are going to. And this same Eximbank, they selected a company for preferential treatment on the guise of helping the company save 400 jobs. The Leader of the Opposition mentioned before, do you know that company has predecessor companies with offshore banking accounts and offshore companies registered in the Channel Islands. You all know where the Channel Islands are, anybody? I had to go a map of the world to find these Channel Islands. A major offshore haven which spun several companies overtime, and today one of those companies—I do not know if those companies are in the Panama Papers or not—with directors in Venezuela, Colombia and Miami, are going to benefit from this Government initiative of supporting a loan.

And, when I asked the question earlier, Mr. Deputy Speaker, the Prime Minister and the Minister of Finance jumped up, they say, “But, you in the Parliament so long and you never know Eximbank used to support business”. Mr. Deputy Speaker, the Eximbank, it is on their website, they support you with what is called demand loans. If you are a businessman, you are a firm, you need to upgrade your equipment because you get a good contract to supply goods abroad, earn foreign exchange, you can get a demand loan from Eximbank to buy your new equipment; invest in technology and so on. Today, they are saying that they are going to use the Eximbank as a tool to guarantee loans to the private sector. So, who guaranteed the loans to the contractors who just sent home hundreds and hundreds of workers? Could the private sector contractors go to the Government

and say I am sending home 400 workers this week, I need a loan, and I need you to guarantee the loan—

Dr. Gopeesingh: We want it in US dollars.

Dr. R. Moonilal: And we want it in US dollars. The contractors could not do that. Thousands of workers gone home. But, one company that has predecessor companies as offshore companies in the Channel Islands and elsewhere are now favoured. And why is that? Those directors' names are unrecognizable to many people here. But, I believe, that they will be recognizable to a German media corporation. I believe so.

And, the Government has to answer, that why do you select one, and other companies cannot go to the Government and say, "Look, things bad, we are going to send home workers, I need to get a loan, I would like you Government to guarantee the loan". Government do not guarantee loans for private enterprise like that. What you do is you get NAMDEVCO, or ADB, or Eximbank to support business with loans, so that the contract with the bank to pay back the loans, and if you do not pay back the loans, A, B and C will follow. But a Government only guarantee loans to the Government.

Mr. Singh: Yes, sovereign guarantee.

Dr. R. Moonilal: Sovereign guarantee. So, when you engage the Government of China, Australia and England and so on, for a loan, it is guaranteed. And, this is what we do in Government. So, today there is a major departure from that policy, and the Government stands to answer to tell us, which private companies over the year Government guarantee loans for?

Hon. Member: The Eximbank.

Dr. R. Moonilal: The Eximbank is a Government operation. What you think it is? It is an American bank? You think it is an American bank?

Today, coming, and I want to talk about the hypocrisy of this Government today? The Member for La Horquetta/Talparo reminds me. [*Interruption*] No, the Prime Minister—and I want to get to this Prime Minister quickly—came in the House tonight to frighten Trinidad and Tobago. As if he needed to speak to frighten Trinidad and Tobago. But, he came tonight to frighten Trinidad and Tobago to tell us that, is either we swallow this, is either the cost of living go up and people lose their jobs or we have to go to the IMF. I want to tell you, what you are implementing is already the IMF. [*Desk thumping*] It is already the IMF. And the Prime Minister, with the bold approach as usual, talking about it would be

SFC Report (Adoption)
[DR. MOONILAL]

Friday, April 08, 2016

worse if we go to the IMF, and take this; to tell the population there is no other alternative.

There was a government of the UNC at the end of the '90s that managed this country's affairs with the oil price of \$9 a barrel. [*Desk thumping*] When we were in office this decline started. It started. We addressed the issues. In fact, some of the issues you are raising on the revenue side, those were initiated by the Partnership administration [*Desk thumping*] They were initiated by Partnership administration, so you are collecting dollars today based upon policies and programmes implemented by the Member for Siparia as Prime Minister, the Partnership administration. And that is the issue.

But the hypocrisy today, to tell the country you have to suffer, and went on to say Ministers of his administration took a decision just today, hot off the press, that they could only buy cars with 1999 cc. But there are five Government Ministers that already buy Mercedes Benz; already driving luxury-end vehicles. They get it already and they gone. So, today the rest of them have to suffer. [*Interruption*] And they park up. I live at 54, you know that Mr. La Horquetta/Talparo, I live at 54, eh. So, they already purchased vehicles and gone their way. The Prime Minister already organized the Mercedes Benz and tell the rest of them, "Okay, all yuh hold up now; all yuh drive Sorento and Tiida; all yuh go and drive and drive a Tiida, and Sorrento, and a Mitsubishi Sedan". But, five of them gone already, and one boasting that they have a sup-up Mercedes Benz.

Hon. Member: Who is that?

Dr. R. Moonilal: So, we will come to that on a next occasion. But, they come today to tell us we are suffering, when they done take their Mercedes Benz and they gone eh. They gone, about five of them. It has three in Sterling somewhere on Sackville Street waiting for them.

Hon. Member: Who has the one from HDC? [*Laughter*]

Dr. R. Moonilal: But, you know, and I am coming to that now. I am coming to that now. The major problem we are facing today is small mind running big Government. It is small mind trying to run big Government.

They came into office, they bother with who riding helicopter; who rent a car by HDC. Country collapsed, 10,000 people lost their work, business closure, but they are concerned about who riding the helicopter; who rent a car at HDC. They are concerned with the little things and not the big things. That is the problem we face today in this country. And, while they are telling us save money, \$3 million

gone to buy painting. Three million dollars gone to buy painting. They are now going to embark the Prime Minister—somebody announced yesterday on some global tour of the Prime Minister, like one of those international artistes or something, there is some global tour that takes the Prime Minister from America to Europe, to Africa, to elsewhere; for hundreds of thousands of dollars, clearly, at a time when you are telling people, “tighten your belt, we doh have money”. Overseas travel.

Then, they embarked upon a series of consultations. You know, what is the cost of these consultations that they were embarked on?—when everybody knows there are several reports on prison reform. Find the reports! When we got into office we took an approach, we said, “Listen, we eh consulting on these things that are over consulted already. Bring the recommendations to Cabinet, structure it and tell us what you are going to implement.” How can we implement recommendations? They gone now to ask people, and talking about how much to feed a prisoner. But, we know how much to feed a prisoner all the time, everybody knows that there were 10 reports that speak to that. Posing in City Hall, jacket and tie, on their sofa looking like Fox News or something like that, to tell us how much money to feed a prisoner on Remand. [*Laughter*] We knew that before.

They are wasting money with all these—local government is the most over-consulted area in the history of Trinidad and Tobago. Mr. Deputy Speaker, since I know myself in public life in the early '90s, late '80s, they are consulting on local government. It remind me, you know, in the days I was at UWI, I think the Member for Princes Town and others were there way after me, we had a position called “internal affairs chairman”, and that position—the Member for La Horquetta/Talparo was somewhere around the compound, I do not know what he was doing, [*Laughter*] but he was lurking around UWI at that time. [*Crosstalk*] He was on the precincts somewhere there, and every time somebody became chairman of the internal affairs committee, they were in charge of the small cafe and the bar, they would go and paint the wall. So every year they are painting the same wall, because they did not have an idea what else to do.

When they got into office they really do not know what else to do, they called a consultation on local government; consultation on prison; consultation on this. They have spent seven months reviewing, auditing and consulting, and the country is in reverse. They will get bounce from the front, eh. [*Laughter*] They will get bounce from the front. They are watching back and trying to go forward. And, the next theme of seven months is threatening jail. Well, anybody who is

SFC Report (Adoption)
[DR. MOONILAL]

Friday, April 08, 2016

anybody in the Government now does threaten jail. You have two Ministers there distinguished themselves as ghost busting Ministers. Every time they talk they tell us about ghost workers in the AG department. So, you have two ghost busters. After seven months, no permanent secretary, no director, no HR person stands accused of doing anything wrong. No employee they can take to court, or prosecute, or fine for taking money under false pretences and so on. But, the ghost busters still there. That is seven months into office while people are home without jobs; while contractors pack up.

When we left office, backhoe, tractor, heavy equipment working; today you cannot see a man pushing a wheelbarrow in this country. [*Desk thumping*] You cannot see a fella pushing a wheelbarrow. If you see him pushing a wheelbarrow, he is probably “tiefing” gravel and sand from somewhere. [*Laughter*] And that is the country that they are running. That is the country they are running. This is a country—I mean, I would get to some of these issues later. But, the hypocrisy of saying we want to save money while squandering money at the same time. That is the hypocrisy of small mind trying to run big Government. Government is big business. It is taking major investment decisions.

When we got into office there are some projects we saw the former administration had advanced, there are some we stopped. But, do you know there are many we continued. In housing, which I will come to in “ah lil” while, the sites we selected for housing were sites identified by the former PNM administration. We built houses after the PNM administration 2010 had agreed on certain sites on certain types of housing, because I said if we go to stop that and redo that process—Member for La Horquetta/Talparo, if we redo that we will take three years and build nothing. After seven months they have not built a house, a townhouse, an apartment, they have not built an outhouse, but they are giving out all the houses that we built or refurbished. They are giving out.

Hon. Member: How many houses you gave out?

Dr. R. Moonilal: “Nah, nah, “I give out house I build, eh”; Union Hall, Chaguanas, elsewhere, Princes Town. “We give out house we build.” I am the only one here that have had two Ministers as successors—not that any was successful—but, I have had two successors so far.

8.30 p.m.

I wish the—my own MP for San Fernando East, I wish him well in the area, he is new and so on and I wish him all the best. I hope you stay a bit longer than your predecessor. But, Mr. Deputy Speaker, the point I am making is that they are

taking too long to manage the affairs of this country. And the country believe it, you know. There are significant sectors of the community today saying, what is your plan? You are marking time here, you are in the wicket but you are not making runs, because you stand up, you watching backward and you want to go forward. So continue now to threaten jail, audit, revise and consult and so on, you will end up doing nothing and when you see one year, two years pass, you will then take terrible decisions because you would have wasted and squandered the time.

And then they cry we have no money. That is a next cry, we have no money. Well if you have no money get out of Government, you cannot do nothing. But that is not to throw your hands up in the air. You cannot do that. We left loan arrangements in place, you extend the borrowing limits. We left loan arrangements in place for mega construction projects that would be—at this time, construction workers and suppliers would have been sending supplies to construction sites if you just continue the construction projects that had been approved, that loan financing had already attracted, and I am speaking about Arima, Point Fortin. Well the OAS matter on this highway is just a scandal now; they have scandalized something. And you know with all the talk, the Member for Port of Spain North/St. Ann's West, with all the talk, you know nobody is telling us what is the plan to finish this highway to benefit the people of Point Fortin, La Brea and the southern peninsula. [*Desk thumping*] What is the plan?

You know you quarrel over 3.1, \$5.1 billion, good; waiver of that, good. What is the plan? [*Crosstalk*] Yeah, but we expect the fireman to tell us that. We expect to hear, you spend less time by fire site and more time trying to finish the highway to Point Fortin, and that is the problem. [*Crosstalk*] We have a fire officer in the Cabinet, but they should focus on finishing the highway.

Mr. Deputy Speaker, there are two scandals today, eh, two scandals before I really get to what I came here to talk. Two scandals I just want to touch, because one already exhausted. This matter, where according to this letter in my hand, NIDCO on May 25, 2010—when I read this letter I thought immediately, I say this is a typographical error. Somebody will correct us. How can a state company like NIDCO dealing with billions of dollars, the morning after, do you all know the date the 24th of May was? A Monday night. That was when the PNM fell over a cliff. On Monday night it was not a close victory. There was no appeal to the EBC. The country throw out completely a government on Monday night and Tuesday morning, somebody goes to an agency on Tuesday morning when the Cabinet out but the Prime Minister is still in, mind you, the morning after a government is

SFC Report (Adoption)
[DR. MOONILAL]

Friday, April 08, 2016

thrown out completely, you send a letter to a construction company and say we are pleased to inform you, you are the preferred respondent. This is an obscenity.

The president of this company, one Keisha Ince, should have immediately stopped and say, listen there was an election last night, there is a government change to come, clearly, I will await instructions from the next Minister of Works and Transport to decide how do we proceed. The morning after a massive election defeat, NIDCO sends a letter to a contractor to say, you win, you are the preferred, we are entering negotiations with you now. This is a scandal.

Mr. Indarsingh: What is the political connection of Keisha Ince?

Dr. R. Moonilal: And that person is now on a board, eh. The Minister of Agriculture, Land and Fisheries knows that—is now on a board taking decisions, that person.

The other scandal of this day is that the Minister of Finance stood up on April 8, 2016, the Minister of Finance who served this country as Minister of Works before eh, to tell us that the IDB say, you see that rapid rail we cannot continue with that. Anybody knows that \$500 million had been spent to study the rapid rail?

Mr. Indarsingh: What is the loan arrangement?

Dr. R. Moonilal: Anybody knows that we are still paying on the loan for the study of the rapid rail—and came today to say the IDB say we cannot pursue this rapid rail, I think we might fix more road. “Let we just fix road and improve public transport.” That is what the Minister of Finance say today. The Minister of Finance say we cannot continue the rapid rail. That is \$500 million of taxpayers’ money gone to study the rapid rail.

Hon. Member: That is waste.

Dr. R. Moonilal: That is waste. And I would not talk about the \$1 billion difference in the foreign reserves—I am coming to that now as you remind me, the \$1 billion difference in the foreign reserves. So what to tell the people of Trinidad and Tobago, \$500 million spent to study the rapid rail and we really cannot deal with that now, that is out of the question now. That is a scandal of this generation, Mr. Deputy Speaker. That is a scandal. [*Desk thumping*]

And, Mr. Deputy Speaker, as we are on scandals, there was another one that came up recently and I want to touch. We touched it in the Finance Bill. You see, the Government is now proudly announcing at every street corner that they will

complete the Brian Lara Cricket Academy. And I am happy to hear that, I am very happy to hear that. They are announcing proudly all over the place that they will complete this facility and the people will get their long awaited Brian Lara. Good. Anybody knows what they really doing is cleaning up, send a cleaning crew to clean up the Brian Lara? They are cutting grass and spraying water and they are brushing the ground to take out moss and thing.

Mr. Indarsingh: Ninety million?

Dr. R. Moonilal: That is what they are doing. And they are conning the population into saying we are going to complete it. But if you are going to complete it, I just have one question to ask; there is an outstanding matter with Hafeez Karamath Limited. There are three issues that arise here why the Brian Lara has been delayed. One is that there has been an outstanding matter with the main contractor. And I do not want to take time to read the entire issue, because I have the documents, but let me summarize it for you and the Minister of Finance or the Minister of Sport and Youth Affairs or somebody can correct. The matter is very simple.

Hafeez Karamath is claiming, the late contractor, that the Government owe them money. Now this is a contract that moved from \$265 million to \$1.1 billion under a former administration. Okay, well it did not move so far, it moved then. The contractor is saying, you owe me \$200 million, the Government is saying through UDeCOTT that no, no, no, when we check this thing out you actually owing us. So you owing us \$146 million and you are claiming that we owe you \$200 million. It is called a Mexican stand-off. Member for St. Joseph, it is called a Mexican stand-off. You know, you know this thing. So we are involved in negotiations. We could not arrive at a settlement. We said, you see this—I then spoke to the Prime Minister of the day, I said you see this, we cannot by Executive decision just give away taxpayers' money like this. Let us go to arbitration.

So that matter is a matter of arbitration. Did you complete the arbitration? Did you make a deal with Karamath? Did you sort out that matter that today you could boast and say you are going to finish the Brian Lara? You cannot finish the Brian Lara unless you arbitrate and come to a conclusion with the contractor. That was a serious issue which is still pending. And at UDeCOTT, Mr. Deputy Speaker, they have to confront that with the Government.

Is there a secret deal somewhere that you have struck to pay taxpayers' money to complete the Brian Lara facility? That is the question.

Mr. Indarsingh: How much years they will pressure wash and cut?

Dr. R. Moonilal: When we were there they think, they peddled this idea that we did nothing and so on. When we were there we commissioned two reports, one by Aaron Birch, and the next one by EQS Limited. I have them in my hand here. I can give you some detail but not everything. We commissioned two reports, technical reports, scientific reports to take to Cabinet in a nutshell. They did a complete assessment of that Brian Lara facility and they give us options. The option we agreed to is that the Government of Trinidad and Tobago will complete this facility for a cost of \$190 million more or less.

So it was going to cost \$190 million to complete. It was based on scientific work. This was not based on chairman of UDeCOTT, you know, marching up and down the place and saying, we will complete this, we will complete this. That is what they do. It is based on scientific work. Did you take into consideration those reports, because I am hearing the Government saying, “for \$80 million we go finish it”. Eighty million what? Pesos? And you come with the same foolishness about waste, corruption and mismanagement.

Seven months later and this is the first super Minister they produced, eh, the Member for La Horquetta/Talparo. He is the first super Minister of this administration.

Mr. Indarsingh: A sign of the time.

Dr. R. Moonilal: Yeah, it is a sign of the times when the Member of Parliament, La Horquetta/Talparo, is the first super—that mean we reach, eh, [Laughter] when the Member of Parliament for La Horquetta/Talparo is the first super Minister.

Mr. Deputy Speaker: Member, your time has expired. [Crosstalk]

Dr. R. Moonilal: Thank you. Yes. So, Mr. Deputy Speaker, the point I am making is that they did not consider the scientific reports produced by EQS Limited or Aaron Birch otherwise they would not have been talking about \$80 million. It is \$190 million more or less to complete the facility. And that is one part. So our Cabinet agreed to that, no problem. But how do you end this matter with the contractor? You have to end that before you could go on that site to complete. That is a matter for arbitration that will also take time.

And, of course, the third problem you face, which we faced too coming down to the end, is of course the funds, because funds are not as you know, and as you

cry now, funds are not readily available for some of these projects. But the Brian Lara, we are still paying loans. In fact, that is what is in the Finance Report. The people of Trinidad and Tobago continue to pay every year millions of dollars in loans for the Brian Lara, for the rapid rail, they continue to pay every year, and I ask the Government to tell us exactly how they come up with some plan to complete that. Because you see, UDeCOTT is now going back to the bad old days. If you thought Calder Hart was bad, “you eh hear nothing yet”.

At UDeCOTT they are hiring people there without process. At UDeCOTT, Mr. Deputy Speaker, you also might be surprised to learn that they have employed at UDeCOTT a chief executive officer without process. When we were putting these companies on a footing to advertise, interview and select people you have a chief executive officer, you have a head of human resource, I will not call these people’s names eh, head of human resource, business consultants coming in at exorbitant salaries, and they say they do not have money, they could only use 1999cc. Well the 1999cc give you chief executive officer, head of HR, IT, business development manager, all coming in UDeCOTT without process, and the Uff Commission of Enquiry Report spoke about that.

You know one of the findings of the Uff Commission of Enquiry Report was that these companies were mismanaged. Incidentally, the Brian Lara was called in the Uff Commission of Enquiry Report the biggest and most monumental, management failure in the construction sector in this country, eh. [*Desk thumping*] The Brian Lara. And you know what you have done now, by this process where you are hiring people, whether they be party hacks or not, without due process, without proper advertisement and so on, you will return to those days where you mismanaged state enterprises.

At CEPEP—they are talking a lot about CEPEP. At CEPEP they brought in new managers at CEPEP. Not one advertisement in the papers. Nobody could apply. Nobody interviewed. And you know they started already, hiring in top positions in CEPEP, a PNM councillor. Top positions in CEPEP, a PNM councillor reached in there already, take up big job already and that is what destroyed earlier administrations.

In UDeCOTT, Mr. Deputy Speaker, they have started it already. They are going back to round pegs in square holes and square pegs in round holes. They are going back to that. So you will not expect Brian Lara to finish. And I am hearing today about Invaders Bay? Well look at trouble. That dropped from the sky. There were considerable advances by the Ministry of Planning and Sustainable Development in securing contractors, in securing investors for Invaders Bay. They, in one fell

SFC Report (Adoption)
[DR. MOONILAL]

Friday, April 08, 2016

scoop, abolished that. They abolished that and today talking about other businesses for which they may have already made contacts in Dubai.

So that, Mr. Deputy Speaker, is the state of play that we meet today in this country.

Mr. Indarsingh: Who went to play golf in Dubai?

Dr. R. Moonilal: And today, we came here for him to just raise the price of gas, increase taxes. They “doh” like to hear it but their approach is tax and spend. It was Winston Churchill who had this to say and I like this quote, I like to repeat it. Winston Churchill said, and I quote:

We—“contend that for a nation to try to tax itself into prosperity is like a man standing in a bucket and trying to lift himself up by the handle.”

The Member for Diego Martin North/East, I submit, is the man in the bucket. [*Desk thumping*] And the Member for Diego Martin North/East is in the bucket and he is trying to lift himself up by the handle. And he is looking up to find the handle too. He is in a bucket trying to lift himself up by the handle by this approach to tax and spend, and tax and spend.

8.45 p.m.

So, Mr. Deputy Speaker, in the few minutes left, I want to go to another matter raised earlier. [*Crosstalk*]

Mr. Deputy Speaker: Please, Members.

Dr. R. Moonilal: Mr. Deputy Speaker, I want to assure you they are not disturbing me, eh.

Mr. Imbert: “Dey asking ’bout Emrit.”

Dr. R. Moonilal: I want to speak about this matter of the net reserves. The Central Bank gave data that in September 2015 the net reserves was US \$10.3 billion.

Mr. Imbert: That is not true.

Dr. R. Moonilal: But this is Central Bank data “ah” reading from a table. By March 2016, it is \$9.3 billion. “Where this US \$1 billion gone? Where it gone?” Because the Member is saying that it is the same thing when we left to where we are now. It is the same net reserves. One billion dollars gone? It disappear? “Where it gone?” As the Member for San Fernando East, the former Member

used to say: “Wey de money gone? Where de money gone? How you cyar account for it and you coming to tell us—ah next cock and bull story dey coming with here today and blaming the former administration for everything.”

When we were in housing, we built 7,000 houses and refurbished 5,000 that they left for us. [*Desk thumping*] Get the data if is not true. We built houses. We refurbished the bad work that they left. We had to spend \$200 million fixing houses.

Mr. Indarsingh: Remind them about Las Alturas.

Dr. R. Moonilal: Las Alturas is their legacy. That is their reputation, Las Alturas. That is what they built. The towers in Chaguanas there, they have bedrooms with five walls and a bed cannot come in the room. That is what they built in Chaguanas. That is their legacy. We had to deal with those problems in housing. And in the Ministry of Housing—you know, one of the problems they have with us, and I will say this, Mr. Deputy Speaker, at the end and I hope they take it in good stead. You know, one of the problems they have with our former government? They want to know how we do it.

Hon. Member: We know.

Dr. R. Moonilal: We know. We built eight police stations, [*Desk thumping*] the San Fernando Teaching Hospital, the Children’s Hospital. We started Arima; we started Point Fortin; we built the Mayaro Fire Station; 7,000 houses; refurbished 5,000; and you want to know how we do it without “tiefing”. That is your problem. [*Desk thumping and crosstalk*] That is what you want to know, how we did it without “tiefing, becor if you had to do it, you all woulda tief like hell”.

They want to know how we did it without the scandal of Calder Hart. How did we do it without “Calder Harts”. [*Desk thumping*] How did we do it without Johnny O’Halloran; how did we do it without Owai? How did we do it without Francis Prevatt? All of them are in the Panama Papers—all of them, the PNM. They want to know it, because if they had to do that, it would have been the Brian Lara, Las Alturas and the Edinburgh Towers.

They will spend five years watching in the rear-view mirror back, while nothing will happen in this country of Trinidad and Tobago. And nothing will happen because they are in a state—you know, they are in some deluded state, you know. Nobody wants to take the bull by the horn and do anything because the Prime Minister, when he is not travelling attending weddings and so on, he is

SFC Report (Adoption)
[DR. MOONILAL]

Friday, April 08, 2016

playing golf and so on, and he will now embark on a global tour—a world tour. I think somebody put in the text, it is called “Rowley 2016 world tour”. They will embark upon that and they will not move the country forward in any significant area.

Today, the Member for Tabaquite raised the issue, and you know, they have defined themselves by arrogance. Mr. Deputy Speaker, I want to tell you something. There is a great possibility that the Member for Diego Martin West will make Donald Trump look like an angel, you know. [*Desk thumping*] There is a possibility of that, by that crass, arrogant language that comes from him. Hours after receiving the prestigious *Express of the Year Award*, “he start to talk about vomit in car and where he does put his anatomy and so on”. That is the Prime Minister of this country.

In September we told the country he was unfit for office. Today, I tell you he is unmade for office. It is worse than unfit. Many people unfit for office and they are there, but is unmade for office. So the arrogance will take them nowhere. Trying to talk about corruption, waste and management, you continue with that, and build nothing and do nothing and support no business, and you tell me whether the people who have lost their jobs and their families really want to hear you continue this rubbish about corruption, waste and mismanagement. And it is time you put up or shut up. Every week you are talking about the former government do A, B and C. You know, up to now, having done nothing, you cannot pinpoint nothing, you cannot find nothing [*Desk thumping*] and there is a reason for that.

Then they accuse the Member for Siparia of firing people every year and reshuffling the Cabinet. In six months they had to reshuffle their own Cabinet. In six months they had to reshuffle their own Cabinet. The Member for Port of Spain South is back. Welcome to Rudy’s corner. [*Laughter and desk thumping*] And she is following me around.

Miss Mc Donald: I will respond to you.

Dr. R. Moonilal: My successor. [*Laughter*] She is following me. So they have had to reshuffle their own Cabinet on grave matters, and I “doh” want to get into that. Those are other issues, you know—on grave matters. But today they come to the Parliament with this conman job. They come to the Parliament with a con job on the population to tell us everything will be good, everything will be rosy and you have to punish yourself. Because their message of the day is: “Is better we punish yuh dan de IMF. So is buy local and punish local. Is better we punish you than the IMF punish you.”

Hon. Member: Yeah, that is what he said.

Dr. R. Moonilal: “Dah is de message, yuh know: ‘is better we punish you than they punish you. So take it from we”’, when there is no need for that. We have already spelt out an economic agenda. The Member for Caroni Central speaks over and over again. The Minister of Agriculture, Land and Fisheries is touching on that. The Minister of Agriculture, Land and Fisheries is talking about CEPEP and agriculture and the Member for St. Joseph went to Mount Hope, cut ribbon to open the ward and then—ward 19, I think it is; it is not the mad ward. He cut the ribbon and he praised the people, how beautiful this is; this ward is so well kept and beautiful and well done. It is CEPEP that did that. [*Desk thumping*]

Today, if CEPEP has a debt, it is the debt owed by other Ministries for cleaning the highway. It is the debt owed for the health sector. There are police stations in this country that thank CEPEP for coming in and helping to refurbish police stations, to change a bulb, to fix the ceiling. Under our administration, CEPEP does more. They are creating a political environment to close down CEPEP. They want to close down CEPEP and are creating the political environment for it, so that they leak information about the debt CEPEP owes.

CEPEP debt is because other Ministries owe them money for work that they have done. When we were there, Mr. Deputy Speaker, the CEPEP Company Limited ensured that contractors paid NIS. There may have been a few delinquents, but not plenty—paid NIS, paid health surcharge. We had marine CEPEP operating. We were cutting the highway—highway maintenance programme. We were working in the health sector, refurbishing. Over 100 health centres have been built or refurbished by the former administration. You all refurbish anything yet? Talking how bad CEPEP is. CEPEP did every single thing. CEPEP had a Christmas programme where contractors, from their own money, would do projects to uplift the area, beautify the area and so on. Many of them, but their predecessors—

Mr. Deputy Speaker: Hon. Member, you have two more minutes.

Dr. R. Moonilal: Thank you very much. Many of the PNM MPs used to write and praise CEPEP for the support they get in Opposition areas then. That was it. The gaming industry today, they made mention—I want to warn you, if ever you needed a trigger, be careful. The gaming industry came out today with hundreds and thousands of workers and [*Desk thumping*] served notice on this Government that increasing taxes in that sector will lead to joblessness, suffering, particularly for single mothers.

SFC Report (Adoption)
[DR. MOONILAL]

Friday, April 08, 2016

And today, I make a cry on behalf of the gaming sector, to ensure that you do not raise those taxes. They intend to raise taxes for online purchase. Do you know, when you lose your job in ArcelorMittal plant, “yuh does end up” being a courier driver for one of FedEx or one of them, DHL or something, to distribute and go by people home to drop packages when they buy online? You are now going to send them out of jobs. People are going to lose jobs by this tax and spend heartless and reckless measure.

Mr. Deputy Speaker, I wish I also had 88 minutes, but I do not. Thank you very much. [*Desk thumping*]

Mr. Deputy Speaker: Hon. Member for La Brea, Minister of Energy and Energy Affairs. [*Desk thumping*]

The Minister of Energy and Energy Affairs (Hon. Nicole Olivierre): Thank you, Mr. Deputy Speaker. It is with great pleasure that I rise on this occasion to contribute to this debate. I want to thank the Member for Oropouche East for the entertaining contribution that he just presented. I hope I do not disappoint the House, but I am going to bring us back to the serious business of looking after running the country. So I stand before this House as Minister of Energy and Energy Affairs in a period of considerable volatility and uncertainty, particularly in the energy sector.

Energy commodity prices are in a depressed state, having soared to unprecedented highs of over \$110 a barrel on an average annual basis over the period 2011 to 2013, then the precipitous decline to \$52 per barrel on an average annual basis in 2015, with our current year-to-date production averaging \$33 a barrel. This drastic decline in prices has taken place when our oil production is also severely reduced. From a peak in 1977 to '78, when production peaked at over 230,000 barrels per day, or more recently in 2006 when we attained 193,000 barrels per day, now we have reduced to 78,630 barrels per day. Gas production likewise has fallen from 4.3 Bcf per day in 2010 to a shortfall situation of 3.8 Bcf per day in 2015. So, indeed, it is a most unenviable time to be in this position as Minister of Energy and Energy Affairs, but I am not daunted, and as a Government, we are not daunted. We are confident in our ability to thrive in the face of adversity, and I say to the nation, together we can overcome.

In reflecting on this current economic and energy crisis, I contemplate the words of John F. Kennedy when he observed that the Chinese used two brush strokes to write the word “crisis”. One brush stroke stands for “danger” and the other for “opportunity”. So the message there is, we should be aware. In a crisis be aware of the danger, but also recognize the opportunity.

Looking at the history of the Trinidad and Tobago energy sector, we must acknowledge how we have managed to evolve the sector over the years. Moving from peak oil production in the 1970s to engineering of a robust natural gas industry, today, in an environment of intense volatility and uncertainty, this process of evolution continues. I want to take us back to Trinidad and Tobago in the late 1980s, but not from our perspective but from the perspective of an international impression of our country.

I will read to you an excerpt from a publication that was done for the Library of Congress in 1987. It is a book entitled *Caribbean islands: a country study*. It is edited by Sandra Meditz and Dennis Hanratty. According to the preface of the publication, this was a study which attempted to treat in a compact and objective manner the dominant social, political, economic and military aspects of the contemporary islands of the Commonwealth Caribbean. So in the chapter on Trinidad it states, and I quote:

“Even with cyclical growth, the citizens benefited from a quality of life that surpassed that of not only most other Caribbean islands but of other Western Hemisphere oil exporters such as Mexico and Venezuela as well. The country also enjoyed a literacy rate higher than Italy’s, a per capita energy consumption rate that exceeded Britain’s, a per capita newspaper circulation above that in several Western European countries, an income distribution comparable to that of the United States, and an access to electricity and potable water that was better than most developing countries.”

This is how Trinidad and Tobago was described in 1987 after the energy crash of 1986. The publication goes on to say:

“Although some charges of government waste and corruption were voiced during the 1970s and 1980s, sufficient discipline in public finance prevailed to allow the country to elude the fiscal crisis that confronted other oil-exporting, developing nations such as Mexico, Venezuela, and Nigeria.”

And the key message there is discipline in public finance, and that is the key to survive in times like this, and that is what you would have seen demonstrated by the presentation from the Minister of Finance, and that is what you want from a PNM Government. So in the words of William Feather:

“If we do not discipline ourselves the world will do it for us”

Discipline, or as we like to say, cut out the waste, mismanagement and corruption. [*Desk thumping*]

In acknowledgment of the cyclical nature of the hydrocarbon industry it is incumbent on this Government to take steps to diversify the economy and in my capacity as Minister of Energy and Energy Affairs, it is my duty to ensure that Trinidad and Tobago gets on a sustainable energy agenda.

9.00 p.m.

In every instance of adversity there is opportunity, and this, Mr. Deputy Speaker, is our opportunity to begin to truly embrace alternative forms of energy. This Government intends to provide effective leadership in the transition to a sustainable energy economy. We firmly believe that there is space in the Trinidad and Tobago energy generation mix for renewable energy technologies. So let me address this important priority of sustainable energy as it relates to current and proposed initiatives.

The Ministry is facilitating an enabling environment for greater development in energy efficiency and renewable energy technologies across the landscape of Trinidad and Tobago. We have already committed to the Wind Resource Assessment Programme. The aims of the Wind Resource Assessment Programme are to:

- Provide a high-quality bankable wind data for understanding how the wind fuel varies temporally and spatially throughout Trinidad and Tobago, and to provide the energy production estimates with the associated uncertainties for wind farm sites;
- The study aims to enhance the local capacity to record and assess wind measurement data; and
- Also aims to educate the public on wind energy throughout the project.

The wind resource assessment study is proposed to be completed in three phases. Phase one is a preliminary area identification. This is a desktop study that will be conducted over a three-month period to identify a number of sites for further evaluation. We propose to look at nine sites in Trinidad, and three in Tobago.

The second phase will be the area wind resource evaluation. This is envisioned to be completed over a 25-month period, where we will do the actual physical field evaluation and measurement campaign at each of the identified sites from phase one.

And lastly, once we analyze that data, the third phase is a micrositing phase. At this stage, we will rank the top three locations and do more detailed work on measurement of the wind speeds in that particular area, and this third phase is

envisioned over a 21-month period. So overall the assessment would take four years and by the time this project is ready to be implemented, by that time we should be up for another election.

The Ministry is actively reviewing the costing of this study because we had a proposal initially, but given our need to cut back on expenditure and ensure the effective and efficient use of public funds, we are going through the details of it to ensure that there is not any additional expenditure that is put into it because the initial cost of the study we felt was a little too high. So we are actively working on bringing down the cost so that we can get this project ongoing, and we would like to be able to access funding from the Green Fund to facilitate it.

In addition to wind energy, there are also opportunities to be explored in solar and waste-to-energy. Now, waste-to-energy technology is an interesting option for alternative energy in Trinidad and Tobago. Waste-to-energy is a process for generating energy in the form of electricity and/or heat from the primary treatment of municipal solid waste. This would facilitate the diversification of our energy mix and mitigate the challenge of managing municipal solid waste. Trinidad generates an estimated 2,000 tons of municipal solid waste per day at the various landfills managed by SWMCOL. There are several different technologies for the conversion of waste-to-energy that can be considered for development.

So, according to a study recently conducted by the IDB, there is the potential to generate 30 to 50 megawatts of electricity at a waste-to-energy plant in the Beetham landfill in Port of Spain. To accomplish this, a number of key steps would have to be implemented. Firstly, we would need a commitment from a suitable project developer to invest in the engineering procurement and construction of the plant, as well as operation and management of the facility. Now, the Ministry has received several expressions of interest from various parties interested in developing a waste-to-energy project, and these projects are currently under evaluation so that we can come up with the most optimal project that would derive the greatest benefit to nationals.

Implementing a waste-to-energy project would also involve the acquisition of land management within the landfill site to facilitate the project, and also negotiations of a power purchase agreement. So all this pre-work is part of our evaluation of the proposals at hand.

The development of an alternate energy sector in Trinidad and Tobago has vast potential to derive economic benefits to our country. Energy efficiency and renewable energy will not only enhance domestic energy security by diversifying

our energy base, but the growth of this sector would undoubtedly stimulate economic activity through the creation of new jobs and services.

Mr. Deputy Speaker, as a nation, we have the opportunity to realize significant cost savings from energy conservation. Simple behavioural changes such as switching off lights and equipment when not in use will conserve energy, as well as the incorporation of energy efficient lighting and smart technologies. By reducing building energy consumption, we will be reducing taxpayers' energy cost. These initiatives no doubt underscore our full commitment and our aim towards our target of 10 per cent renewable energy contribution to our energy mix by 2020, as was indicated by the hon. Minister of Finance in his initial budget presentation in October. With this move towards sustainable energy and renewable energy by no means, means that we are giving up on our base.

I acknowledge the current status of gas production. For the first quarter of 2016, we have averaged 3.6 Bcf per day down from 3.8 that we saw overall in 2015. The forecasts for the remaining quarters of 2016 are 3.4 Bcf per day in second quarter, 3.1 Bcf per day in third quarter and 3.4 Bcf per day in fourth quarter. The reductions in deliverability are due to various preventative maintenance, tie-in activities and rig mobilization activities.

In the case of oil production, the 2015 average was 72,000 barrels a day. This is expected to increase to 75,000 barrels per day in 2016. Some of the contributing factors would be two side tracks and two new drills that will be done by bp in the Mango Field in mid-2016. Additional condensate volumes from the Mango Field will come online in September 2016 for a two-year period. Massy Energy is also expected to conduct a water flood project on their acreage, and that can add another 1,000 barrels per day to production in 2017.

Whilst investment in the hydrocarbon sector is not at the levels that we would want it to be because of the current energy crisis, we are comforted by the knowledge that the major multinationals operating in Trinidad remain committed to their investment here. As an example of that, I would like to highlight the deep-water campaign being conducted by BHP Billiton. Over the period March 2014 to February 2015, BHP Billiton conducted the largest 3D seismic acquisition programme ever completed globally by an independent oil and gas company. The survey covered more than 21,000 square kilometres across the nine deepwater blocks operated by BHP Billiton in Trinidad and Tobago.

The study identified the hydrocarbon prospect in deepwater Block 5, which is the first one that the company has decided to go after. It is approximately five

kilometres by 20 kilometres in size. The company's current plan is to drill three wells over the first phase of the drilling campaign, which will last for duration of eight months. The drilling campaign was originally scheduled to begin in September 2016, but due to some efforts that we have made and with the Ministry partnering and helping to facilitate their access to getting the approvals, the campaign is being brought forward to May 2016. So we expect that programme to be starting shortly.

Now, this drilling is in water depths in the range of 2,500 to 8,500 feet. For this type of operation, a specialized drillship is required. The vessel engaged for this particular activity is a seventh generation drillship called the Deepwater Invictus. Now this rig is no ordinary drillship. It was purpose-built for the deepwater and it is just two years old. This particular ship requires highly specialized personnel in order to assure safe operations.

Now persons working on the ship would have undergone an extensive training programme and BHP Billiton has committed to incorporating the capability development of nationals on the drillship. So they have implemented a shadowing position so that although the ship will come with its expat crew, there will be nationals on board who will benefit from the knowledge, and the knowledge sharing, and the exposure to this new type of vessel.

This is new ground for the industry and it opens a whole new frontier. It is not just the depths of the water, but also the distance for sure. So the service sector in the energy industry will be stretched. This is opening a whole new frontier for them and it is really exciting times in the industry, and we all look forward with great anticipation to the successful completion of this campaign.

BPTT has also shown their commitment to continuing in their investment. Production from the Mango Field is expected in fourth quarter of 2016. From the Toucan platform, we are expecting 300 billion cubic feet to be produced from five wells, plus the laying of a 2.5 mile 12-inch pipeline. First production from that field is expected in fourth quarter of 2016 as well. Juniper project is expected to come on track in third quarter 2017. That involves the development of the Corallita and Lantana fields, and that should add another 915 Bcf of available gas with peak production reaching at 500 million standard cubic feet per day. Angelin is also expected to start production in 2019 with a peak production of 500 million standard cubic feet per day.

If I can talk a little bit about stranded gas. The Member for Siparia, in her contribution earlier, made mention that she did not think that we were doing

SFC Report (Adoption)
[HON. N. OLIVIERRE]

Friday, April 08, 2016

anything in this regard, so I just want to inform her that just yesterday Cabinet approved the assignment of Blocks 1a and 1b from Centrica to DeNovo Energy Limited. In 2008, Centrica made a discovery of an estimated 479 billion cubic feet of gas in the block. This was deemed too small for them to exploit at the time, as they did not have any monetization options, but they found a party who is willing to monetize this gas and Cabinet has agreed to the assignment just yesterday. The development cost for this project will be in the range of US \$230 million over a two-year period, and the expected production of gas from this field is expected to range around 80 million standard cubic feet a day and it will be available by as early as 2018.

During Prime Minister's question time earlier, our Prime Minister mentioned the assignment of the Guapo block from Oilbelt Limited to New Horizon. Approval of this assignment not only facilitated the saving of 250 jobs—and mind you, because of where the location of this field is, this is 250 jobs of largely my constituents, who I certainly was very pleased to approved that assignment—but we also assured the maintenance of oil production in the amount of 2,500 barrels per day.

Cabinet also, yesterday, at our meeting, approved an extension of the production sharing contract to bpTT for Block 5b, and we also approved an extension of the gas supply contract to BHP Billiton for Block 2c for gas production from the Angostura Field. So I want to assure those on the other side that we are in fact making headway with our commitment that we would have made in the manifesto to monetize stranded gas in our attempts to increase oil and gas production.

I will now switch gears and focus on our physical asset infrastructure. Members will be aware that the Ministry commissioned a national facilities audit with the aim to establish the asset integrity of energy installations in the domestic energy sector. When I first mentioned that we were doing a national facilities audit, which would have involved 30 companies, a number of people misunderstood and thought that it was a financial audit, but that is a misconception. What we are doing is an asset integrity audit. Now, asset integrity management, for the general public, who may not be aware, is a combination of two aspects. It is the technical integrity of the asset, which is management of the hardware itself plus you are looking at process safety, which is the management of hazards to prevent major accidents.

The objective of the study was to determine the current status of mechanical integrity of the existing facilities. We selected 30 companies for this audit, taken

from—also, there are large companies, small companies, state-owned, upstream, midstream and downstream companies. So it was a wide cross-section of the industry. Part of the audit was to evaluate the integrity management practices relative to accepted industry standards, codes and procedures; to determine the status of HSC policies, procedures and practices; to evaluate HSC management policies; and to make recommendations to improve asset integrity and HSC activities.

In conducting the audit, there was a ranking scale upon which each company was ranked, starting from a score of zero which meant that the activity or practice is ad hoc or absent with little awareness of the expectation for asset integrity management to a maximum score of four which would indicate best practice.

The mid-score of two meant that a documented procedure was in place for asset integrity management.

9.15 p.m.

Now, this study started in August 2015 with a nine-month duration and it is due to be completed next week. I am proud to say that this project has been successfully executed on time and within budget. The Ministry received a draft presentation of the report and the final report will be issued next week to the Ministry. We have already done some stakeholder presentations of the report as well.

Now, what the report showed is that in the case of the systems themselves, the average score received across all the companies was a score of two which shows that, to me, well, most of the companies are in implementing stage with documented procedures. However, the range of scores of companies, there were many companies that scored above two as there were that scored below two. So this is very worrying because the spread was certainly too large to give us any great comfort that asset integrity management is really being given the overall required attention that it deserves.

In terms of the status, the physical asset, the equipment integrity part of it, the national average was just below two at 1.93. What is particularly troubling is that of the six Government-owned state enterprise entities that were involved in this audit, all but one of them fell below the mid-range of two, for both the equipment audit and the systems audit. There was just one state entity that scored above two so that certainly is very troubling. The companies that scored the highest were the joint venture companies and this is because when you have a joint venture, there is double assurance from the various shareholders of the company but with the

state enterprise with limited assurances and limited oversight on the operations of the company, then you tend to find that systems will be left in abeyance.

So coming out of the review of it, conclusion of the study shows that a significant portion of the oil and gas infrastructure in Trinidad and Tobago is approaching or exceeding the original design life. Unfortunately, given our current economic situation, the demands to reduce cost have resulted in budget cuts or delays in maintenance work related to plant and equipment maintenance. So at this particular time, despite the challenges we have with the physical state of the asset, companies are making an economic decision to defer their maintenance work. And asset integrity related incidents have, in fact, already occurred as we are all familiar with the oil spills that have taken place, particularly in my constituency.

The concern in this Government is that this situation, unless effectively managed and controlled, will only get worse and the risk of major incidents will significantly increase. So hence our goal of improving the asset integrity of installations and securing a long, safe and profitable future, for the national oil and gas industry are inseparable and inter-dependant. What we have noticed is that a number of the companies have implemented asset integrity management programmes but significantly for the other companies that have not, their approach to asset integrity is either inconsistent, ad hoc or reactive to just responding when incidents happen.

So what is the Ministry going to do about it? Well, once we get the final report next week, we will be setting an overall goal for all operators to have an asset integrity management programme in place that will be capable of managing the asset integrity of plants and structures to ensure that risks are as low as reasonably practicable.

Part of the report, the consultant will be producing a 16-step plan which would involve continuous improvement process: a plan-do-check-act cycle to ensure that all asset integrity issues are identified in time that you can mitigate against any adverse results happening. We are going to apply a risk-based approach by prioritizing operators by the intrinsic hazard and the asset integrity management performance. And we will be also sharing and benchmarking their performance.

So we certainly look forward in the future once we finalize the report next week and we start implementing and rolling out our implementation plan, we look forward to an improved asset integrity management system throughout the country. As I said, this is one project that has been completed on time and within

budget. So I really have to congratulate the team at the Ministry of Energy and Energy Industries who worked alongside with the consultants for their hard work and dedication in getting this project done on time. [*Desk thumping*]

These persons were not given any additional remuneration. They were not dedicated to this job and they did it as extra duty and they really worked hard and dedicated and that shows that once our public servants are really engaged in a process, we really can get excellent work out of them. So we must always remember that as Ministers, we can only perform through the work of our public servants and we should never forget them.

Now, with all these facilities in place, we need to ensure that we are being paid appropriately and adequately. This is where the Extractive Industries Transparency Initiative has a major role to play in the energy sector. In this current economic environment, we must promote dialogue between and among stakeholders about the energy and mining sectors to gain buy-in to Government's strategies being employed. But many times, citizens question the source and reliability of the information they receive.

Luckily, this Government is firmly behind the Extractive Industries Transparency Initiative. The EITI provides an independent report prepared by external auditors. So in this report, the audit firm reconciles the amount of taxes that extractive companies say they pay to Government against the amount of taxes that the Government actually receives, and if there is a difference, they try to determine the reasons for the difference and try to explain it. So this information is then published and the general public can rely on that information. All stakeholders can rely on this as valid information for making decisions—the transparency part of it. This is one of the areas where we avoid corruption in the energy sector. So this Government is committed to support the EITI Steering Committee. The Steering Committee comprises a mixture of Government Ministries, companies involved in the extractive industries and civil society representatives.

To demonstrate our commitment, we are seeking to remove any legal barriers to EITI implementation by enshrining the initiative in the country's legal system. In this vein, I am pleased to advise that we do in fact have a draft EITI agency Bill, so I brought it here to demonstrate that this is not just idle talk, it is not a ghost Bill. We actually do have a draft agency Bill which is currently being reviewed by myself and we are also involving some of the companies that will be impacted by it in—[*Interruption*]

Mr. Singh: Is it a model Bill?

SFC Report (Adoption)
[MR. KARIM]

Friday, April 08, 2016

Hon. N. Olivierre: When you say a model Bill?

Mr. Singh: Meaning that it is from other EITI countries.

Hon. N. Olivierre: Well, it is one that they have developed for us so it would have been based on a collaborative work between the TTEITI and the international EITI organization. So what we have decided to do is we have actually taken this draft Bill that has not gone to the Cabinet yet, we have taken it out to the companies that would be impacted by it so that they can review it beforehand and give their comments. So that when it does go to the Cabinet, it would have been with the consultation, with the full buy-in of the industry. And once it passes through Cabinet, we can—I hope shortly, well within this parliamentary term to be able to lay this Bill in this very House for debate and eventual passing.

Hon. Member: I am your support.

Hon. N. Olivierre: All right.

Mr. Singh: We sign on.

Hon. N. Olivierre: And we have a commitment from the Opposition already and I thank you for that very much.

Mr. Singh: But when you return from Ghana. [*Laughter*]

Hon. N. Olivierre: This initiative has the added benefit of not only bringing greater transparency and accountability to the management of our oil, gas and mining sectors but also paves the way for reform in Government's revenue collection and audit systems. In other countries, the EITI is used as a tool to plug system gaps and drive sweeping reforms.

Mr. Deputy Speaker: Hon. Member, your speaking time has expired. Do you care to avail yourself of the additional 15?

Hon. N. Olivierre: I would. Thank you.

Mr. Deputy Speaker: All right, you may proceed.

Hon. N. Olivierre: Thank you very much. Yes, so as I was saying, this Bill will enable us to drive sweeping reforms and so ensure maximum collections for the Treasury. Trinidad and Tobago should be no different from other countries and thereby derive similar benefits.

Based on Ministry of Finance figures, the Treasury would have received only a paltry sum of \$18.5 million in royalties from quarry operators and asphalt producers in the last 12 years. Now given that during that period, there was a construction boom in the country, I mean surely the industry should have provided more revenues than that to the national Treasury. And furthermore,

between 2001 and 2013, we were owed \$120 million in unpaid royalties. So this inconsistency has to be corrected because clearly there is a significant leakage of revenue from the quarrying industry. We have new regulations to govern the mining sector and the royalty rates have increased for quarry operators. But this rate increase means nothing if we do not have the systems in place to judiciously monitor the operators and ensure that they pay their fair share.

So as an initiative towards that end, the Ministry is being more vigilant and we will be involving the mining sector in the EITI reporting from now on. To spearhead that effort, we are starting a pilot project this year and just last week, letters were already sent to the companies in the mining industry who have been selected to participate in this pilot project. So that is another example of work that is actually ongoing by the Ministry of Energy and Energy Industries. So as best as we can, we must stare truth in the face and the EITI helps us to provide that independently verified data out of our mining, oil and gas revenues.

I feel I have to address the comment made by the Member for Chaguanas West about the trip to Ghana. The last contributor, the Member for Oropouche East, spoke about the Prime Minister's global tour as though it was some flippant joyride, but this Government is about serious business and looking after the country's interest. [*Desk thumping*] So yes, the Prime Minister will be away for an extended time but it is several trips and he is going from one destination to the other. If he had done these as separate trips, there would be significantly increased cost in returning to Trinidad and then heading out again.

So his first stop is in Washington to attend the Caribbean Energy Security Conference which is an initiative spearheaded by US Vice President Joe Biden. Following that two-day conference, the very next day, he goes on to deliver a feature address at the Medgar Evers University. Now, this university seems to be the university of choice for nationals in New York and 20 per cent of the foreign students there, are, in fact, Trinidad and Tobago nationals.

From Medgar Evers, he goes on a trip to Ghana. You may recall that back in 2010, Trinidad and Tobago was well on its way to significant investment opportunities in Ghana which did not materialize. We have restarted that initiative and to date, a team comprising NGC and Petrotrin representatives have already made two trips to Ghana to start gathering information about investment opportunities there, and the Prime Minister's visit is just a follow-on from that. It is anticipated that a memorandum of understanding would be signed between one of the state companies in Ghana and one of the state companies over here which would cement our interest in investment opportunities in Ghana.

SFC Report (Adoption)
[MR. KARIM]

Friday, April 08, 2016

On his return from Ghana via London, he will be attending an anti-corruption conference which is spearheaded by the British Prime Minister. *[Interruption]* It is a summit. An anti-corruption summit which is spearheaded by the current British Prime Minister David Cameron and Prime Minister Rowley was specially invited by Prime Minister Cameron to participate in this particular conference when they met at the Commonwealth Heads of Government meeting in Malta.

So the Prime Minister is not on a joyride. It is a very intense, very tight schedule. It is almost back-to-back meetings. Every day, he has work to do. And if these four trips were done, at the different time, it would have incurred significantly greater cost having to travel back and forth between Trinidad and Tobago.

Mr. Singh: Who is part of the delegation to Ghana?

Hon. N. Olivierre: Well, actually no, I would not be on the delegation to Ghana, I will be in delegation to Washington to attend the Caricom energy security conference. The delegation to Ghana will involve, well, state enterprises.

9.30 p.m.

So as I wrap up my contribution, I would like to say to the population of Trinidad and Tobago the current economic crisis presents an immense opportunity for us to re-engineer the way we do things for greater efficiency.

I call on all citizens to make a personal commitment to the efficient use of energy in your homes, workplaces and communities. There are a range of measures which we can take to reduce our energy footprint by eliminating wastage. Let us start by cutting back on unnecessary lighting in public buildings and community grounds. How often do we pass by Government buildings at nights and all the lights are turned on? So when you leave an office for the day, just take the time to turn off the lights. It does make a difference. To the various village councils and residents who have responsibility for the community grounds, please ensure that the lights to these grounds are turned off when not in use. Far too often we see playing fields fully lit with no activity taking place.

The imperative of energy efficiency requires a collaborative approach to realizing the vision of sustainable energy. May we always be mindful, as so aptly stated by Bill Clinton, the price of doing the same old thing is far higher than the price of change.

Mr. Singh: That is why Monica came in.

Hon. N. Olivierre: But before I take my seat, I would like to share something with my colleagues. Let us get serious now. Yesterday afternoon I had the opportunity to visit with one of my constituents who was celebrating a birthday. The constituent's name is Mr. William Sanderson. Mr. Sanderson lives in a tiny village called Lot 10. Mr. Sanderson yesterday celebrated his 101st birthday. [*Desk thumping*] Mr. Sanderson and his family were very pleased that I took the time to go and celebrate with him but I said I felt it was something I had to do because it is not very often you get to celebrate 101st birthday.

Last year when I started my election campaign I met him as he celebrated his 100th birthday. So I certainly made a commitment back then that I would return every year and celebrate his birthday with him. So I told him that I would be speaking in Parliament today and I asked him if there was any message that he wanted me to share with the general population. And the message he gave me is this. He is asking: "What are we fighting for?" He said, "Some fight for money, some land or power. Sooner or later you have to go. What are you going with? The Lord said if you love me obey my Commandments; love thy neighbour as thyself."

So, to my colleagues on the Government side, on the Opposition side, in fact to the whole country, I really want to echo those words. I want to say let us try to live together in harmony. There really is too much person on person violence in the country right now and that really is not how we are intended to live. So I would like to urge all of us to please be kind to ourselves, be kind to our neighbours. Let us do this together. I thank you. [*Desk thumping*]

Mr. Fazal Karim (*Chaguanas East*): Thank you very much, Mr. Deputy Speaker, for allowing me to join this debate this evening on a Bill entitled:

"An Act to vary the appropriation of the sum the issue of which was authorized by the Appropriation (Financial Year 2016) Act, 2015".

But more importantly to have waited with bated breath—and I am sure I echo this sentiment on behalf of the entire population—we were all waiting with high expectancy on this day, Friday 8th, to hear from the Member for Diego Martin North/East and the hon. Minister of Finance as to the direction that this country would now be embarking upon, subsequent to his presentation.

Yes, it is the midterm review and I want to indicate I will summarize the midterm review in my last comment on this page that I have. But I want to also indicate that we on this side were also very anxious to hear. This was something much talked about in the media, advertised, Mr. Deputy Speaker. You had panel

SFC Report (Adoption)
[MR. KARIM]

Friday, April 08, 2016

discussions. You had television stations, radio, people would have been looking at it being streamed live on the computer. But, Mr. Deputy Speaker, I am sure, like us on this side, very many of the persons who would have listened attentively were extremely disappointed in this midterm review. [*Desk thumping*]

Mr. Deputy Speaker, there were very few things that I am sure if you ask the man in the street, you take a census or a survey tomorrow morning, what does he remember the hon. Minister of Finance saying he might summarise it in terms of more tax, higher cost of living. As a matter of fact, they might just remember the fact that the US exchange rate, now you have to pay more to get US \$1.

For the students who are listening—before I came to Parliament today there was a radio talk show host at the University of the West Indies Campus and he was saying that the students were anxious to hear about what was going to happen to the GATE Programme.

Mr. Deputy Speaker, I am sure we would all agree that what we could have done really was substantially to take back this document that was presented on October 05th and read it. There was very little more that you would have heard or anything substantial. There was a lot of repetition and no real action, a lot of talk, no plan, no timelines and, therefore, there was very little for us to measure.

Mr. Deputy Speaker, we are convinced—as some of my colleagues who would have spoken—that this is an IMF-induced presentation. [*Desk thumping*]. Mr. Deputy Speaker, as I said, I was very disappointed and I describe this statement as one of hopelessness, one of joblessness and one of cluelessness. [*Desk thumping*]

Mr. Deputy Speaker, I want to focus a bit on page 30 of the hon. Minister of Finance's presentation and substantially dealing with the GATE Programme. If there is anybody who should know a lot about the GATE Programme is the presenter this evening and I would have known some about it as well. Hon. Minister Imbert would have served as the Minister of Science, Technology and Tertiary Education from November 2003 to May 2005. And at that time it was science, technology and tertiary education. And I just want to take the one paragraph where reference was made to the GATE Programme and this is very important, you know.

You see when we were campaigning for the election in 2015, I was saying during my campaign, and we were saying on the platform of the People's Partnership, that if you voted for the PNM, they are going to interfere with the GATE Programme [*Desk thumping*] and I said repeatedly that in the 120-day

action plan of the People's Partnership Manifesto, item No. 2, we committed that we will secure and expand the GATE Programme to include technical and vocational education. [*Desk thumping*]

Mr. Deputy Speaker, there was a response in August of 2015, by the now Prime Minister, that time Leader of the Opposition and he said in a *Guardian* newspaper report of Tuesday, August 25th, speaking at a public meeting at Embcadere on Sunday. They said Rowley, hon. Prime Minister now,

“...said the PP continued to campaign on the same policies and ideas which originated under the Manning administration.”

He further went on to say that:

“Tertiary Education Minister Fazal Karim was campaigning for the Chaguanas East seat telling people if the PNM wins the election, GATE would be cut.

He”—meaning Dr. Rowley, “denied that GATE would be cut if the PNM got into power.”

Mr. Deputy Speaker, I now want to go to the presentation, the midterm review. At that time, the Member for Diego Martin North/East was saying:

“Madam Speaker the Government has already established a High-level Committee to examine the reform of the GATE programme.”

I want to indicate to this honourable House and the national community that under my watch and under the leadership of Kamla Persad-Bissessar as Prime Minister of the People's Partnership Government, a high-level committee was already established to oversight the Government Assistance for Tuition Expenses Programme.

He indicated that the GATE Programme now consumes \$600 million a year and that—I want to compliment him because he admitted today in the House that we have had significant increase in the tertiary education participation rate.

Mr. Deputy Speaker, when we came into Government in May 2010, we met a participation rate of 40 per cent in the tertiary sector and as of May 2015, much less when we went on to the election, we exceeded the 60 per cent target and we got to 65.2 per cent [*Desk thumping*] participation within the tertiary sector. Mr. Deputy Speaker, if you add the vocational sector to that I am convinced that Trinidad and Tobago will have a participation rate in the tertiary sector in excess of 70 per cent. Never in the history of Trinidad and Tobago has that happened.

SFC Report (Adoption)
[MR. KARIM]

Friday, April 08, 2016

[*Desk thumping*]

Mr. Deputy Speaker, but this is the important part. The Member for Diego Martin North/East went on to say:

“...it is time for the programme to conserve expenditure...”

He did not say to make it more efficient, you know, like we have done by now impacting the efficiency of the GATE Programme through close scrutiny, through close oversight, through quality consciousness, through continuous auditing, monitoring and evaluation, such that for the first time in the history of this country we have had a reimbursement from training providers of \$35 million.

[*Desk thumping*] So he wants:

“...to conserve expenditure and make a paradigm shift towards a better alignment with the country’s development needs...”

Mr. Deputy Speaker, as I am on this subject of development needs, I want to say that I was particularly distressed, embarrassed and it was most unfortunate. I think my colleague, Member for Caroni East, responded to the statement by the hon. Minister of Education, where he was saying that there was bias in the award of scholarships and today we heard the hon. Prime Minister indicate that, that statement about “biasness” was not confined to the CAPE exams since they were on the—[*Interruption*]

Mr. Imbert: Hello, there is no such word as “biasness”.

Mr. F. Karim: Well the bias; since the bias. And that bias, I am saying colloquially, that is. As a matter of fact, that bias that we spoke about was as a result of the criteria that was laid down before and it was agreed to. And what was said really is that there was no basis for that allegation, which really placed an indictment upon those who were making the decision to award a contract. [*Desk thumping*] It was very unfair and I think someone—I was reading a newspaper recently—was saying that that statement really shows a continuation of “foot-in-mouth disease” and that is grammatically correct and colloquially so as well.

Mr. Deputy Speaker, the hon. Member for Diego Martin North/East, whom I indicated was Minister of Science, Technology and Tertiary Education, from November 2003 to May 2005, and I just want to remind the country that there was a similar—what I am going to read here today is a similar—event that took place in the history of the GATE programme in its early incarnation, and that is, the Minister indicated today that we make a paradigm shift towards better alignment of the country’s development needs, coupled with, and this is the key, the

introduction of some form of means testing. The GATE committee is expected to report by July with changes going into effect in the next academic year.

9.45 p.m.

Mr. F. Karim: The bias—since the bias. And that bias, I am saying colloquially that is. As a matter of fact, that bias that we spoke about was as a result of the criteria that was laid down before and it was agreed to. And what was said really is that there was no basis for that allegation which really placed an indictment upon those who were making decision. [*Desk thumping*] It is very unfair and I think someone—I was reading the newspaper recently—was saying that that statement really shows a continuation of foot in mouth disease and that is grammatically correct and colloquially so as well.

Mr. Deputy Speaker, the hon. Member for Diego Martin North/East who I indicated was Minister of Science, Technology and Tertiary Education, from November 2003 to May 2005, and I just want to remind the country that there was a similar—what I am going to read here today is a similar event that took place in the history of the GATE Programme in its early incarnation. And that is, the Minister indicated today that we make:

“...a paradigm shift towards a better alignment with the country’s development needs, coupled with”—and this is the key—“the introduction of some form of means testing. The GATE committee is expected to report by July, with changes going into effect in the next academic year.”

Mr. Deputy Speaker, I want to tell you that the decision has already been taken. [*Desk thumping*] I know the Member for Diego Martin North/East very well, and I know that when he uses words like these, the consultative aspect or the consultation aspect is just the smokescreen. He is telling the committee this is what I want you to do by July, bring the report for me. [*Desk thumping*]

And, you know, Mr. Deputy Speaker, one of his colleagues who would have sat on that side would have said: “How you could say that. Yuh cyar say that.” But those are the facts. And I said earlier on in the election campaign that the interference with the Government Assistance for Tuition Expenses, the GATE Programme will be cut.

As a matter of fact, I want to tell the nation and the House—I am saying this on behalf of all of these persons as well, because you have a number of persons who will be preparing to enter the tertiary sector in the new academic year 2017, and they will not know what will hit them until July—the decision has been made

SFC Report (Adoption)
[MR. KARIM]

Friday, April 08, 2016

to make sure that there is a means test. I want to remind this honourable House that there was, in fact, a means test before and it was discontinued.

The GATE Programme started in 2004, and the predecessor, the idea for GATE was born under my colleague, the Member for Chaguanas West, when he was Minister of Human Development and Culture, hon. Ganga Singh, at that time, through the Dollar for Dollar Programme. I am saying yes to the Member for Diego Martin North/East that he is the one that started the GATE programme, but he took the idea from the Minister at that time, the Dollar for Dollar Programme. He simply took the idea and expanded it. But I want to also remind my friend that there was, in fact, the means test and the means test was abandoned by him in 2006—he was just up there until 2005—and, therefore, we have to be very careful in terms of how we impact our nation's talent and human capacity.

This evening we heard from the hon. Prime Minister and he said that there was going to be—words to the effect—no compromise in terms of human capital development. But it is very clear that there is going to be some measure of cut because the hon. Minister of Finance did say to us—and I am reading from his verbatim—that it is going to be carefully looked at in terms of the expenditure of approximately \$600 million annually on the GATE programme.

Mr. Deputy Speaker, it reminds me of H. G. Wells, a very noted English novelist, journalist, sociologist and historian who said that history is a race between education and catastrophe. He further said, no nation can afford to slow down. And, therefore, we have to be very careful in terms of how we impact upon the human development of our country for the future. It will never remain like this, but at a time when a country is experiencing challenges and difficulties and recession, countries in the rest of the world have been known to invest heavily in human capital development. It is a time when we have to prepare to ensure that members of our society who face loss of jobs will be able to be trained and retrained and retooled.

I want to suggest to the hon. Minister of Finance, maybe when he is winding up, if he will consider it might be appropriate for us to look at even developing a system of tax credits for those who would want to hire persons and, particularly, young persons [*Desk thumping*] or persons who have been retrenched or lost their jobs. [*Desk thumping*] You know, Mr. Deputy Speaker, what he is telling you about there—what the Member for Diego Martin North/East is saying, he is talking about maybe the 200 per cent tax credit that was paid to persons who would have employed persons to work, but that is particularly persons who were

in the youthful population.

Just recently, we were looking at a response to joblessness, a response to persons who would have lost their jobs, and particularly those in the Point Lisas Industrial Estate, the 644 and many, but we now know that the figure has exceeded 8,000 or even near 10,000 persons who would have lost their jobs since this Government came into office. And you know what is lamentable, what is unfortunate? When the hon. Minister of Labour and Small Enterprise Development was asked about how many persons, she said that she “suspects”, she has “a suspicion” it could be more. These are people’s lives and I would tell you a little bit about joblessness.

But, you know, recently there was a jobs fair at the NESC, the National Energy Skills Centre, at Rivulet Road in Couva, Point Lisas. I do not know what was the seriousness of that approach. Job fairs are normally very useful for people who want to look at opportunities, but it is not simply a place where you go and fill out a form like if you are going to get a credit card or a job card, and you present that somewhere and you get a job, somebody will employ you. That is not how it works.

Mr. Deputy Speaker, I am sorry for the many people who would have signed up as well. I congratulate all those employers who would have participated in that jobs fair, but for those people who are expecting so much to get a job the next day, I am sorry to say that their hopes might be dashed because many of them may not have the requisite skills and competences to have the mobility to move from what they were doing to the opportunities of new jobs. And how will that happen? That will happen by ensuring that what we should be doing—and I want to again offer this suggestion to the hon. Minister of Finance—is to ensure that we expand the opportunities for training beyond the normal time frames where these institutions are open—be they at the MIC where my colleague Dr. Lee was chairman before or YTEPP or NESC or wherever have you—that we should not simply close these doors at four or five o’clock, but present opportunities for people who are also on the job market, and let us give them a voucher, a training voucher.

We could even pay them, as I was suggesting. We could pay them a stipend to be trained because they need to have something to may be travel, to eat. Some of these people we think are individuals alone, they may have families. They have needs, they have commitments, they have bills to pay and, therefore, I feel an opportunity is presented here for the Government to consider looking at the entire

SFC Report (Adoption)
[MR. KARIM]

Friday, April 08, 2016

retraining programme, the retooling programme.

Mr. Deputy Speaker, this reminds me of the days of Caroni (1975) Limited when it was closed. Do you know what was the solution to all of those thousands of workers in the sugar industry? The same thing. We have a jobs fair, we offer you training, but where are the jobs? Where is the labour market information that will tell people in which sectors jobs are available?

Under our watch, we created an institution—we have a building actually allocated to this—called the CWRD, built with money from the Ninth European Development Fund, the Centre for Workforce Research and Development. We simply cannot say that let us have a jobs fair. Do we know where these jobs are? Do we know what the qualifications are? Do we know what the competencies are required? Do we know what levels? Do you know what is the remuneration? All of these are important aspects that I think we have to focus on. And, therefore, in talking about the GATE Programme, we have to ensure that the GATE Programme is also with respect to vocational skills training. You cannot build a society only on academia. [*Desk thumping*]

Mr. Deputy Speaker, I also would like to suggest to the hon. Minister of Finance that—this evening we would have heard fuel prices increased by 15 per cent—I am advised that when fuel prices go up, the retail margins remain the same. That is, at 17 cents per litre and that this was applicable since 2005. Therefore, you will find that gas station operators may find themselves with a lower margin of profitability. What does this mean? It may very well mean a higher cost of doing business and, ultimately, it may mean that you may require less persons to work, so more jobs on the line.

And, therefore, Mr. Deputy Speaker, as we speak about tertiary education and we speak about joblessness, I want to advise us that we must take this matter very seriously. Joblessness matters, because it is miserable for those who are concerned about it. It is very clear that joblessness also is a waste of human potential, that it is really fiscally ruinous, because when people do not have jobs they do not pay taxes. Yeah, it is ruinous. [*Interruption*] Yes, I said ruinous. [*Interruption*] No, I said ruinous. I know probably the chair—Mr. Deputy Speaker, I know sometimes—the chair is blocking my friend and, therefore, it is also self-perpetuating. Mr. Deputy Speaker, one of the things about joblessness is that it leads to atrophy and, therefore, there is a scarring effect when you experience joblessness.

As we engage in our discussion about the GATE Programme, I want to also

indicate that if it is that the Government is looking at opportunities to save money, they may want to examine the total bill for the Government Assistance for Tuition Expenses. Since 2004, the Government of Trinidad and Tobago has spent \$5.1 billion in training 177,519 persons. This is by no means a small amount of money and, therefore, it is very important that in considering opportunities for saving that we look at the expenditure in terms of the cost of education and training.

Mr. Deputy Speaker, I just want to share with the hon. Minister of Finance—and I am sure that he is listening attentively to the figures, because he may hear me pronounce a word differently if he is not—that for the MBBS programme in Trinidad it costs TT \$75,000 per student annually. The MBBS, medicine, costs taxpayers \$179,200 per student annually at Mona, Jamaica, and it costs \$204,800 per student annually at Cave Hill; but at St. George’s University in Grenada, it costs \$307,200 annually.

Mr. Deputy Speaker, we have built the San Fernando Teaching Hospital. My colleague, the Member of Parliament for Oropouche East, in his previous incarnation as UDeCOTT—[*Crosstalk*] It is designed for a teaching hospital. What we are saying, Mr. Deputy Speaker, is if you have that facility you should ensure that you commission and use it to train doctors in Trinidad and Tobago. [*Desk thumping*] You cannot be talking about saving money and foreign exchange when you are sending a lot of money outside of Trinidad and Tobago.

10.00 p.m.

Mr. Deputy Speaker, so I wanted to indicate that there is a sense of urgency that we have to treat with matters like these in terms of the expenditure to Trinidad and Tobago. Mr. Deputy Speaker, I just want to give some figures with respect to students and what is going to happen, because whatever we are going to do with the GATE Programme these are the students who have pursued GATE and these are some of the students who would be pursuing GATE in the future. In 2016, we will have approximately 19,000 students writing the SEA exam; 25,474 will be writing the CSEC; 8,038 will be writing the CAPE examination, and we expect annually that COSTAATT graduates 1,200 students; UWI, around 3,900 to 4,000 students; UTT, around 1,685 to 2,000 students. The University of the Southern Caribbean could be added onto that and many others. On the average we would look at 8,000 to 10,000 students exiting these institutions within two months from now.

Mr. Deputy Speaker, the question is, what will happen to them? Where will they go? What are the jobs available? Therefore, Mr. Deputy Speaker, it brings me to the whole concept, and the whole aspect of the transfer of \$374 million

SFC Report (Adoption)
[MR. KARIM]

Friday, April 08, 2016

from the Ministry of Education to the Ministry of Labour and Small Enterprise Development for the OJT Programme, the On-the-Job Training Programme. Mr. Deputy Speaker, I wish to advise this House that that is not the only amount of money that is available for the OJT Programme. The OJT subventions are held in a separate bank account, and at the end of September/October, 2015, had a balance of \$170.7 million. So when you add the 170 to the 374, you know what figures you are now looking at for the OJT Programme.

Mr. Deputy Speaker, this programme, as you know, is available to persons 16 to 35 years old, and it is now being transferred, as I indicated, from the Ministry of Education to the Ministry of Labour and Small Enterprise Development. They may have best known what is the reason for the transfer, but you know what is happening, Mr. Deputy Speaker? You are now burdening with extra burdens one Minister of Labour and Small Enterprise Development when you have two Ministers in the Ministry of Education. [*Crosstalk*] You have two and, therefore, it would have been easy to share that responsibility with one of the Ministers and continue the management of the programme under the Ministry of Education, which would have absorbed the former Ministry of Tertiary Education and Skills Training.

Mr. Deputy Speaker, there are many questions that one would want to ask about that transfer; first of all, why? Because one would have thought that if persons are exiting the system, young persons, 16 to 35, many of them would be exiting the tertiary system, would it not have been more appropriate, and in more alignment to have it administered under the Ministry of Education as opposed to the Ministry of Labour and Small Enterprise Development? But having said that, we now heard—[*Interruption*]

Mr. Deputy Speaker: Hon. Member, your speaking time has expired, do you care to avail yourself of the additional 15?

Mr. F. Karim: Yes.

Mr. Deputy Speaker: Proceed.

Mr. F. Karim: Thank you very much, Mr. Deputy Speaker.

Mr. Deputy Speaker, I just wanted to raise a few questions. Number one, what is the current number of trainees on the programme to date and what levels? The hon. Minister of Finance would have presented in the budget speech that there was going to be a 20 per cent increase in stipends to OJTs as of December, I think it was. To date, nothing has been paid to any of those trainees, any amount of

increase. While I say that, we will want to hear from the hon. Minister of Finance what has happened with the graduate internship programme with all of these people who have been placed at Ministries.

The graduate employment programme basically is—you would have said it, I have it in the budget statement. Mr. Deputy Speaker, what is the projected number of placements for the fiscal year 2015, 2016, as I indicated, in the cost for each of those? There is no doubt that we want to also ask, what is the cost remaining? What is the amount of money available since the programme would have started or continued under the graduate recruitment programme? I am quoting from the budget speech—you see, my friend, the hon. Minister of Finance, is even doubting what he read. On page 72, Graduate Recruitment Programme, and it is written in English language.

Mr. Deputy Speaker, I want to also ask, what is the strategy for the OJT Programme?—we are dealing with the increase in the unemployment rate. The unemployment rate is continuing to rise, and there seems to be no hope, or no clue as to how they are going to solve this problem. One of the things that we would have done with the OJT Programme is rather than—when I came into office as Minister what I inherited was really an OJT “go for” programme.

Mr. Deyalsingh: OJT, what?

Mr. F. Karim: “Go for.” What has happened is that you placed persons, they simply came from the institutions and you placed them anywhere, and go make tea, go make coffee, and go photocopy this. It was OJT “go for”.

What we attempted to do as a responsible Government is to align what people would have done in the institutions with what the labour market requires, and therefore we came up with OJT sectorial, [*Desk thumping*] OJT agricultural, OJT digital, airports, engineering, medical. We worked with the United Nations, OJT Global, finance and accounting, culinary, environment, media. Mr. Deputy Speaker, the OJT Programme intended to, and continues to have as one of its main focus, work experience. For those who would have not had the experience at all, or would have not had an opportunity of entering the job market for two years, and within that period of time one of the things that we attempted to do was not only to have them work, but to have them certified where they work, according to the National Occupational Standards of competence in areas that they could work. [*Desk thumping*] So that we did not only see it as earning in terms of money, dollars and cents, but improving their portfolio of qualifications, and, therefore, their marketability for future jobs.

Mr. Deputy Speaker, much has been said about the OJT Programme in the

SFC Report (Adoption)
[MR. KARIM]

Friday, April 08, 2016

debate, but I think the question that is often asked is, what would you have done as a Government if you were in charge at this time if you were faced with these consequences? And I wanted to also indicate that among the things we would have done was to ensure that we had a higher education strategy, the key components of which would have been to ensure that the market for the growing tertiary education and skills sector had export services as an important aspect.

As a matter of fact, very often people tend to look down upon the fact that when we train persons— there is nothing wrong with persons migrating or working outside, and even sending their remittances from abroad back to the country in which they came from. Education is now a global entity. It has a competitive advantage. [*Desk thumping*] One of the things that we would have done as well was to create a national endowment fund. A national endowment fund, which would be established to attract philanthropists, corporate citizens, and international donors. Loan financing reform would have been another aspect, an important aspect of higher education. I am sure my colleague, the hon. Minister of Finance, will recall, the HELP, the Higher Education Loan Programme, and what we also indicated is that, while previous to coming into office, you would have started to repay that loan within a six-month period. We extended that moratorium period for one year, after employment then you will start to repay that loan.

One of the characteristics of the higher education sector would have been easy accessibility for all. I come back to the question, under the means test how are we sure that everyone will have equal participation and equal opportunity to access the GATE Programme? These are some of the things that we want to listen to and look at. As a matter of fact, we have also embarked upon, and would have continued to do so, the geographical spread of services, whether it is the UWI Penal/Debe Campus, which we hope would be opened in the new academic year; the Aviation Campus at Camden in Couva; the Automotive Technology Centre of the NESC in Woodford Lodge in Chaguanas; the COSTAATT Campus, which we hope will open in this academic year coming in Chaguanas. As I have said before, sometimes they ask you what you did with the money, “where the money gone”, but everywhere you turn in this country you can see institutions of learning built [*Desk thumping*] by the former administration—and in Tobago as well.

We were also going to focus substantially on access for the challenged and differently-abled on safe and reliable student transportation, on student health and wellness, on teaching and learning, and research. Mr. Deputy Speaker, it might surprise you to know that Trinidad and Tobago spends less than 1 per cent of GDP on research. If we really have to build the capacity this is the opportunity we have

now that even though the resources may be scarce they can be very purposefully put to improving the quality of life of our citizens.

Mr. Deputy Speaker: Hon. Member, you have two more minutes.

Mr. F. Karim: Thank you.

Job skills and job makers. Mr. Deputy Speaker, as I conclude, I just wanted to indicate that one of the other initiatives that we had embarked upon was the creation of education cities, the first of which would be in your constituency of Tunapuna as part of it, the education city at St. Augustine, and my colleague, the former Minister of Planning and Sustainable Development, the Member for Caroni Central, would have also identified various economic growth zones and poles.

I want to say as I conclude, Mr. Deputy Speaker, that we must continue to expend, though in scarce supply, resources for human capital development. We must be able to ensure that all our people are provided with the talent, the skills and the opportunity to develop our country. I warn again, and we look forward to hearing the details from the hon. Minister of Finance with respect to the means testing, and the future of the GATE Programme and the OJT Programme. In this regard, we will continue to support initiatives that are very useful and important, and we look forward again to all those details in the future. I thank you very much. [*Desk thumping*]

Mr. Deputy Speaker: Hon. Member for Laventille West, the Minister of Works and Transport.

The Minister of Works and Transport (Hon. Fitzgerald Hinds): Thank you very much, Mr. Deputy Speaker, for my opportunity to participate in debate on this Motion and the Bill that relates to it, an Act to vary the appropriation of the sum of the issue for which was authorized by the Appropriation (Financial Year 2016) Act, 2015. Mr. Deputy Speaker, early today we heard from the Minister of Finance, and as I listened to him the words sensible, prudent, equity, fairness, characterized all that he said. Things are bad, in financial terms, for Trinidad and Tobago. There is no gainsaying that, and we must not pretend. As has been said before, low oil and gas prices, production down, massive debt, public debt, overdraft, capacity maxed out, and, to some extent, especially in light of the fact of very low corporation taxes based on certain concessions given to those who produced oil and gas, low corporation taxes—as a result of that, we are living almost on a month to month basis.

10.15 p.m.

The Member for Chaguanas East seems to be lost to all of that. The Member for Chaguanas East spoke the old language of very, very paternalistic State and he told us all the things that we should have, disregarding the very simple fact that these things cost money, lots of money. In particular he raised the GATE issue or the GATE Programme. Hundreds of millions of dollars and we did it—in fact, he told us that the Member for Chaguanas East introduced the Dollar-for-Dollar Programme and we improved on it; when we could have afforded it, we said, no, “Yuh do not have to match any dollar. We will pay the entire thing.” And so we were able to treat with students up and down the country without a means test. Whether your parents or your supporters were rich or otherwise, you benefited from the GATE Programme. Persons who were employed, gainfully employed, participated in the GATE Programme, and we did that when we could have afforded it. The reality is, things are not the way they used to be. That is the stark reality. So things have to happen and some stringencies are expected.

So if the Minister of Finance says we will now introduce a means test to see where the need really is as you prioritize who should get it, I do not see anything wrong with that. It will affect individuals. It will affect many individuals, but at the end of the day, Trinidad and Tobago as an entity has to mind its business as well. He spoke about loss of jobs. I simply want to say on that matter, all things considered, we and labour must find a balance between what individuals or workers would like to have—salary increases and keeping those jobs.

The Member for Chaguanas East spoke about the fact that a student would pay about \$75,000 a year in the med programme and in Grenada \$307,000 and he pointed out that we have some facility here we should use to train more doctors, disregarding the fact that that was not the only problem. The problem was not only about the cost, you know. The problem was also about access. There is a strong view in the society that many persons even with the best A level qualifications did not have an opportunity to participate in the med programme. And perhaps because of that, partly because of that, the Grenada experience became real. And I want to say in conclusion on that matter to him, no society in this world, no economy, could generate the amount of jobs to match the number of people coming into the work stream, coming out of the institutions on an annual basis. That is a fact. No economy could do that. And what he should be telling us is how we should be finding creative ways so that we will create economic growth, more businesses, more jobs, some of those coming out could

create jobs rather than tell us what do you do when they come out. Because it just does not work that way. Well we have hope, Mr. Deputy Speaker.

The Minister of Finance demonstrated comprehensively how we would weather the storm that we are in, the financial straits that we are in. He spoke of suppressing expenditure. He spoke of selling some of the country's assets. He spoke of stimulating economic growth, improving revenue collection; and I am sure notwithstanding all that he has said, there are critics in the society who will come tomorrow in their articles in the newspaper and otherwise and give their version of what the panacea is or ought to be.

Dr. Tewarie: It is called freedom of ideas.

Hon. F. Hinds: It is freedom of ideas and the Minister of Finance is free to come up with his own too. And it falls to him actually, but freedom of ideas nonetheless. If we are not very prudent in all of this, as we have heard earlier from previous speakers, we could end up with a foreign exchange crisis and we could end up in the hands of the IMF. But the Minister of Finance has shown us a bit of a blueprint as to how we could avoid all of that. But I think some of my friends on the other side demonstrated today bold facedness and shamelessness. We cut expenses, operating expenses, by 7 per cent across the system.

We were forced to increase the cost of fuel today, forced to do it. It was not like that last year, was not like that for the last 10 years, when we doubled the economy, doubled the GDP almost, but today we were forced to do that. We were forced to spread net recently on the goods and services that would now attract VAT. We had to do that. We are now thinking to review GATE as I said a while ago. We are now moving to collecting property tax, when you, by virtue of the circumstances that existed at the time, were able to ignore property tax for years, for five years. Today, we are forced to find the ways to collect them because the country needs them, the Government needs the revenue.

All of the things I have just outlined are unpopular. If you are a populist government like your own was, and you had the buoyant economy like you did, you did not have to do these unpopular things. If we were thinking purely politically we would not do it. You were thinking politically. You did not do it. Today, we have no choice but to do it. Unpopular as it seems, and you stand there today criticizing that, but it is of necessity.

We have to go into the Heritage and Stabilisation Fund. I heard someone on the other side say today they did not touch it. I suspect you did not touch it because the law did not allow you to do that. But had the law allowed it, you would have, because nothing remains unscathed with you.

SFC Report (Adoption)
[HON. F. HINDS]

Friday, April 08, 2016

There were big rats in the kitchen, remember that. They eat the cheese, they eat the bread, they eat the chair, they eat the fridge, they eat everything. [Laughter] Yes. One of your colleagues described them as rats. So the situation is a little different today. We are forced to do that. And today we are scraping around for revenue, but you brought us to this. You brought us to this. Yes. So these are the circumstances in which we are put.

The Minister of Finance spoke about some short-term borrowing. And I have one question to ask. With all the borrowing he spoke about, what did we do with that money? That is a question to which I will return later. What did we do with that money? I am feeling this as a Minister. I am feeling it as an individual because I live here. We have given up 5 per cent of our income to charitable causes. My Ministry, we had to cut like every other Ministry, 7 per cent.

The Ministry of Works and Transport is a delivery Ministry. It is a very big portfolio with several statutory bodies and enterprises under the purview of the very Ministry. As I said, a delivery Ministry. We are about to make our contribution to growth and development and social peace and economic stability in Trinidad and Tobago, and we plan to do that by getting involved in a serious strategically plan infrastructural and efficient transportation development systems or programmes. And sometimes I hear people saying nothing is happening. Well let me tell you a little bit about what is happening here.

Firstly, we took in the Ministry of Works and Transport once we went in, all things taken into account, a deliberate decision to put a brake on some of the looseness and the giveaways and the takeaways that were happening in terms of procurement inside of there. Let me give you a little example of what I am talking about before I proceed. And this company shall remain nameless.

But I have in my hand here a claim for \$5.4 million. It might seem small to you, but it could fix and do quite a few little things that you complain about, that some of your colleagues write me now to fix. But I have a claim here now for \$5.4 million. It involves some works, desilting water courses, cleaning water courses in places like Orange Valley, the Mayo river, the La Quesa river, the Caura river, the Mc Bean outfall. And all of those projects one to 15, 15 of them. Listen to this, Member for Caroni Central. And these all happened between July 22, 2010, and December 11, 2014. Each of them, every single one the identical figure of \$345,000, every one exact. It looks as though the work programme in every one of the jobs they did was identical because the claim is equal on all. No schedule, no invoice order, no letter of award in not one of the 15 cases, no letter of award, no performance bond, no minute sheet, no contract, no written contract,

no contract completion report. The only thing that existed was an invoice from the company, and no engineer's payment certificate.

And then I am receiving letters for claims in this regard. I met \$60 million worth of work or thereabout, claims to the Ministry of Works and Transport. money that is supposed to come out of my allocation to do work now, I met \$275,000 in debt claims of which about \$60 million not even with a written contract, and getting threats from lawyers on a daily basis. And I have a letter here dated—let me just share this with you quickly. I have a letter here dated July 6th where the contractor wrote making this claim, but interestingly enough in this letter, hear what he says after listing the projects:

No award letter was given to the company. The arrangements were made through phone calls between the hon. Ministers Rudy Indarsingh and Ramona Ramdial's office. As a result the company has no formal records of having been awarded any of the above-mentioned jobs. Please be further advised that no payments have been made to X company.

Enclosed are copies of letters from Ministers Rudy Indarsingh and Ramona Ramdial that have been endorsed by hon. Surujrattan Rambachan, Minister of Works and Transport.

That is the basis on which things were happening.

So for the last few months, I had to take control of the procurement process because I realized all of the allocation and all of the expectation, there was a lot of bleeding taking place. So we had to deal with this. What we have done is to put in place a fresh procurement system. We got external support in terms of how it is to be done and now inside of the Ministry, inside of all the programmes in the Ministry, including the URP, we are putting in place an almost airtight or airtight procurement system supported by one of the big four international auditing accounting firms to make sure that that kind of madness does not happen again. And that way we are saving the taxpayers of this country millions of dollars on a daily basis as we go forward.

Because after all, the Minister of Finance told us that he has to borrow money to pay off some of this debt and we will be paying interest in order to do it. And I think the public deserves value for money. So we want to concentrate, we are concentrating in the Ministry of Works and Transport on the question of developing the road network, preserving our heritage buildings. These are some of the things that are within our purview and we do so on the basis of transparency and accountability and value for money.

One of the things we did very recently to ensure that we get value for money, one of the major providers, the Trinidad and Tobago Lake Asphalt Company, we called them in and officials of the Ministry negotiated with the Lake Asphalt Company because they supply asphalt, a bituminous product. And we were able to negotiate something like about a 15 per cent reduction in the cost of that input. So as we do some work now we will be enjoying that reduced cost. We did the same thing with Trinidad Cement Limited because we have a massive work programme ahead of us, and we expect to get something like about 25 per cent savings because they are promising to supply us concrete in bulk where we need it without the packaging. They bring the silos on the scene and they produce that and supply us more cheaply than they would ordinarily. So both my Ministry and the Ministry of Housing and Urban Development will benefit from that.

And very shortly we want to meet with the aggregate suppliers to negotiate similarly, all bringing down the input costs, so that there will be serious cost savings as we embark upon our programme.

10.30 p.m.

Talking about aggregate, as it now stands in this country aggregate has been imported over the last few years from St. Lucia, from Dominica, Mexico and as far as Canada, all pushing the price of the final product up. So, we are wanting to extract more from the local lands, and especially in Tobago. If we would do that with the aggregate supply closer to where we do the work, again, that will suppress the cost, which is a very sensible thing to do.

One of the things we did as we went into the Ministry of Works and Transport is to make sure that we understood what a quality product, for example, a road is. So, we sort of gained external advice. And now we understand clearly, because it appears as though nobody understood before, what a proper quality road will be, and that involves, of course, a typical road pavement, and this is what the experts say will incorporate, a sub-base, base and a wearing surface on a well-compacted subgrade. We are going to be demanding that in each of the jobs, in each of the contracts that we engage in with the service providers, the contractors and so on.

So, from design to construction to its use. Because if you build a road to deal with light vehicles and heavy trucks passing on it, that does a lot of damage to the road and you will not get the use of the road as you should. So, from design to construction to use, we intend to ensure that we get value for money. Top quality and value for money.

One of the things we realized is a serious issue in this country is the question of traffic congestion. Everybody complains about it. We issue Priority Bus Route

passes at the Ministry, and a lot of people request them because they are trying to avoid traffic congestion on the roads. What did we do? We had a stakeholders meeting. We called in every single entity or individual who had anything to do with traffic management in this country. Every single stakeholder. And we had two or three major consultations. We put together a smaller team and we now have this smaller team looking at all the recommendations that came from the larger 75-person committee, and we are now implementing the recommendations. The low-hanging fruit as they say. Short-term solutions to some of the problems in Trinidad and Tobago, to try to deal with this, and we are recruiting some young sharp people. We have identified a young expert traffic engineer who we are recruiting to so-called champion this project, take leadership of it, in addition to the traffic engineer as the young and bright ones inside of the Ministry of Works and Transport as well. So, that is what is happening.

Insofar as the Priority Bus Route is concerned, I stood here last week and was rather pleased to hear the Member for Caroni East tell myself and the Minister of Finance how pleased he was as a user of the priority, that the Priority Bus Route has been unclogged. We had a system where private cars with three persons or more were allowed at certain times on the route, that allowed unwittingly, PH drivers to come on to the route and it congested the route, created all kinds of problems. And, as a result, we removed that when we came to office on the basis of advice. We have been very restrictive in the issuance of authority to use the Priority Bus Route. That too was abused. So, I heard the Member for Caroni East complimenting me last week, and I accepted it graciously.

But, more than that, the PTSC, the management there, and the Maxi-Taxi Association, they are telling us now that we have cleaned up the Priority Bus Route, that the turnaround time is substantially improved, they are turning around now, they are saving 25 and 30 minutes in their turnaround time, and I am very, very happy with that. Because, the priority bus route is our attempt at mass transit. It brings larger-occupancy vehicles, the buses and the large maxi-taxis, bringing the vulnerable and the poor in the society who we complain and talk about here today, bringing them to their workplaces with less stress; and therefore, cleaning up the Priority Bus Route was one of our priorities, and so far we have achieved that, and we intend to maintain that.

We heard today—and we told you during the campaign—that we had an idea of a mass transit system. But, we were not going to impose it arrogantly on the society. We had a view, you had a view, we would have allowed an independent experienced body to decide upon it; they looked at it objectively, and they have

SFC Report (Adoption)
[HON. F. HINDS]

Friday, April 08, 2016

made recommendations, which we will live with, and we will proceed. But, in the meantime, the Ministry of Works and Transport is, as I said, taking action to alleviate the traffic problems. We are implementing some technological advances where we could monitor traffic real time, and very shortly we will be making the information we are now getting, because we see all the traffic congestion in some of the major bottleneck areas around the city and around the country; we are watching it. In a short while we will be sharing it, so that citizens can upload this on their own mobile units and they can plan their travel routes and change routes accordingly; that is coming. The technology is in place, and it is coming very, very shortly.

All road development must take into account utilities. That is to say electricity, cable and water lines. For years we have had issues here where as soon as a road is paved the next thing you know some utility company is coming to dig it up again. We pulled all of them together, we are now sorting out a protocol, and arrangement where we will collaborate to avoid that, and when they have to cut my roads—and I have responsibility for 2,265 kilometres of roads across Trinidad and Tobago—they will have to seek the permission of the Ministry of Works and Transport, and there will be some standards that they must use to cut it, and standards that they must use to repair it to bring it back to its pristine condition. All of those are major bugbears as they now are, and if we implement this as we expect we would we will have some cost savings, and some less stress on the people of the country. So, we are setting up that protocol, and that is happening now.

The question of the licensing office, I want to mention very quickly. Again, I was very pleased—the proof of the pudding is in the eating. I have a letter here addressed to me from one Phillip Knaggs. Phillip Knaggs is one of the directors at Massy Motors, one of the major importers of new cars in Trinidad and Tobago, so on a regular basis they go to the licensing authority to license all these vehicles for sale to the public. And I received this letter from Phillip Knaggs, dated Tuesday, April 05, 2016, and it says:

Dear Minister Hinds—

—and this is no boast. It is a rejoice. Because, it is a far cry from what he had heard in the past.

Dear Minister Hinds,

I would like to signal our thanks to your office and to Mr. Richards—that is the transport commissioner—in particular, for the improvements and support

given by the licensing office. We appreciate all the work done by Mr. Richards and his team in reducing the time taken to license vehicles. Processes have been streamlined and this has resulted in a quicker turnaround time and increased customer satisfaction to the buying public. It should also be noted that Mr. Richards has made a point of being open and inviting to having dialogue on all issues. His office has always welcomed feedback, and has been available to meet with us on a regular basis.

So, this letter really was encouraging. And I know that we are issuing certified copies very swiftly; as you come you can get it in moments—10, 15 minutes. That cuts out a lot of the corruption. Because there was a time when you had to wait for three and four days to get a certified copy, and if you were tempted enough and needed it more urgently, there was a corruption taking place around that; that is now a thing of the past. And we have a new system in the Ministry, and I met that when I went there, to the credit of those who were there before, led by the Permanent Secretary there and others, we have a system now where we keep and manage the data, and so we are able to issue these certified copies in quick order, and that along with swift licensing is a very great improvement to the circumstances of the service we deliver at the licensing office.

And I want to congratulate the Permanent Secretary and the staff at the licensing office in this regard, and to say to Mr. Knaggs that I hope that this would continue. It is all a work in progress. We were supposed to have had a Motor Vehicle Authority which was supposed to take responsibility for that kind of thing and more. The last regime embarked upon that, spent millions of dollars. We were supposed to have established a building at Caroni Settlement, the nucleus of this operation, to make these records, accurate records and information about the whole licensing regime, motor vehicles, more efficient. It ended up costing \$269 million. It was supposed to have cost 45. The building is there right now, and we did not make very much progress with that.

So, we are trying to regularize that. We are not living in the past. We are moving on. As we speak, my Ministry is engaged in a Pothole Patching Programme, because as I drive the roads, everywhere I see potholes. Sometimes it is as a result of a burst line; sometimes some of the pavement gets eroded by cars passing up on it. Whatever the reason, we have a whole lot of potholes round the place. So, I have pulled together the technocrats from in the Ministry; we are trying to improve the internal capacity, because if you have to hire external service providers, contractors, to do little potholes, their mobilization and all of that, it costs a lot, a lot of money. So, there was a time when the Ministry of

SFC Report (Adoption)
[HON. F. HINDS]

Friday, April 08, 2016

Works and Transport had some internal capacity; that was deliberately allowed to die because some people feel contracts is the way to go.

That is the way they are able to put their hands in the cookie jar. I am improving the internal capacity of the Ministry of Works and Transport, so that we could do these minor works pretty easily. We have an Agua Santa plant, an asphalt plant in Agua Santa, or called Agua Santa, and that is now up and running again. It was out of service. We have made it workable and serviceable again, and, as such, I can report to this country that over the last six months we have dealt with almost 1,500 potholes, and we are continuing to do that. Very shortly as we clear up the backlog that we are familiar with, because our district engineers are out there, looking at these roads, identifying the potholes, reporting them, we treat with them, and that makes the life of the vehicle owners and drivers a lot better. As soon as we clear up that backlog, the ones we are familiar with, we are going to open up the lines as it were and allow people to communicate to us electronically and by telephone too, so that they will now report potholes, and we will be able to identify with them, all designed to bring better service to the people of Trinidad and Tobago.

I want to say to you, Mr. Deputy Speaker, that we have a serious problem of flooding across the country, and, in particular in the City of Port of Spain. As soon as it rains we have a serious flooding problem down there. The last Government, in January 2014, the Government entered into a contract arrangement with the IDB—

Mr. Deputy Speaker: Hon. Member, your speaking time has expired.

Hon. F. Hinds: Thank you very much.

Mr. Deputy Speaker: You care to avail yourself to the additional 15?

Hon. F. Hinds: Thank you very much, Mr. Deputy Speaker.

Mr. Deputy Speaker: Proceed.

Hon. F. Hinds: Thank you very much. We are taking on that problem. They had that loan facility available; we have paid about \$400 million in fees to the bank, and we have not begun to utilize that as yet. We are engaged with the IDB now. Within a matter of about two weeks we will have some champions to head that execution unit again, and we will get rolling on that again for the benefit of the people of Trinidad and Tobago.

We have a work programme. You heard someone—yes, I will tell you about it later in more detail. We have a work programme ahead of us. We promised this country in our campaign that we will develop a new road from Valencia to Toco.

You would have seen in today's paper, yesterday's paper and you will see on the weekend again in the paper, where we have gone out to tender for this new road, and in so doing, we will not simply put a road on which people can drive with good quality pavement and so on, but will be opening up economic activities all along, from Valencia to Toco, and we will be putting a port in Toco too. We got the approval of Cabinet recently for a new port in Toco as we promised. So, we are on the road with those two projects.

When we do that, we create employment, as I said, we open up the whole north-eastern area to new business, economic activity, and that is what that is all about. So, the roads we construct is not just about roads, but it has some more ultimate benefits for the society at large.

10.45 p.m.

Wallerfield to Manzanilla, only a couple days ago Cabinet, again, approved that. So very shortly, like the Toco Road, you will be seeing in the newspaper where we will go out inviting requests for proposals to give us, to bring on board a consultant to begin to develop that road from Wallerfield to Manzanilla. San Fernando to Princes Town, all of these we want to do.

Now, when we develop these roads as you heard earlier, you heard the Minister of Finance talking about the fuel subsidy. Today we increased the cost of fuel. You heard the Member for Diego Martin West say, well, it would be interesting to see how much fuel we squander by virtue of being in traffic jams. Well I want to say to the country, when we develop all these new roads, the ring road around Scarborough in Tobago, the ring road around Chaguanas, the ring road around Sangre Grande and develop all these roads, then there will be smoother traffic flows, less waste of fuel—less use of fuel, actually, because we know once there is a better road transport network more people would be likely to leave their vehicles at home and use public transport to the extent that that is necessary.

There were some issues with the Curepe interchange. We have revisited that programme, the whole procurement process as was usual under the last Government, was faulty, the contractors who were involved saw favouritism to a friend of the UNC. They argued. That was scrapped. We have revisited it and within a matter of weeks you will see, we will go out to tender for fresh contractors to come to complete that programme with that Curepe interchange. And, of course, as we promised, that will just be one because we want to put interchanges all the way up to Sangre Grande removing the traffic lights along the

SFC Report (Adoption)
[HON. F. HINDS]

Friday, April 08, 2016

way. So you will be seeing that very, very, very, shortly I can assure you, and that is happening out of the Ministry of Works and Transport. We want to encourage in all of this public/private partnership in the design, finance and construct model for those ring roads and for all the development of the roads we say. This way we stimulate economic activity in the country as we develop the national road infrastructure.

So, I have given, Mr. Deputy Speaker, a bit of a synopsis of some of the things. I can tell you as well, I have in my possession a comprehensive but growing list of all of the roads that need attention in Trinidad and Tobago. I have asked every one of the 41 Members of Parliament to identify, in fact 39, to identify the roads. I have asked every regional corporation and they all provided lists of the roads that need repairing. We now have a comprehensive list. Most of them have been analyzed and evaluated and we have costing to the work that has to be done and very shortly, especially now after the review that we have heard, which we thank the Minister of Finance for, we are in a position to get out there and begin to deliver on some of these across Trinidad and Tobago for the benefit of all. I have the lists and we are about ready to do that.

Our motto is: on budget, on time, no excuses. That is the ethos of the Ministry and it was mentioned today, before I close, about OAS. Well I want to say, as has been said before, I want to reinforce, we have promised and we will complete that highway from San Fernando to Point Fortin. [*Desk thumping*] There are some impediments along the way—squatter issues, land regularization issues, some disgruntlement from some citizens—we are going to open-mindedly and broad-mindedly take account of all of those, but to complete it, we are going to complete it and we are going to do so.

Right now, as you heard the Member of Parliament for Port of Spain North/St. Ann's West tell us a few days ago, we will just engage in some legal processes to replace the contractors, something that should have been done a long time ago, and as soon as that is finished we will go out for tender to others to come in and complete segments of that road for the benefit of the people of Trinidad and Tobago. And I assure you, there will be no bobol, no corruption, no waste, no madness like we had to complain about. [*Desk thumping*] "Dat eh happenin" around here. Okay? Right.

So as we talk about NIDCO, and I heard one or two persons on the other side get up today. I heard the Member for Oropouche East go as far back as 50 years ago to talk about O'Halloran. And I heard somebody whisper correctly, you do not have to go so far back, you cannot find SI—some people today. We cannot

find Mamu today. Nowhere to be found. So we are doing that. As you could see we are busy. We use the daily paid workers. There are almost 4,000 daily paid workers in the Ministry of Works and Transport. I have been trying to find them. They are diffused all over the country. I am trying to locate them, to get them on the job, to make sure we get value for money. And as you would notice, all the major highways are being cut.

I mean, I saw somewhere when we came into office, you could carry out military exercises on the median. Bush “tall so”, camouflage, good for soldiers and sailors to train. But, we have cleared them and we will continue.

I want to conclude, Mr. Deputy Speaker, to have you know that the Ministry of Works and Transport, without fanfare, without noise, I could have run up and down the place and open this and open that, that is not what we are about. We have gone quietly about our business. We will continue to do so. We will ignore all the old talk. We are going to ensure that we get work done, on budget, on time, no excuses, value for money for the people of Trinidad and Tobago out of the Ministry of Works and Transport. I thank you, Mr. Deputy Speaker. [*Desk thumping*]

Dr. Bhoendradatt Tewarie (*Caroni Central*): Thank you very much, Mr. Deputy Speaker. I have no doubt that the Member for Laventille West and Minister of Works and Transport is earnest and committed to his job. I am glad to hear that we are going to see the completion of the Point Fortin Highway in spite of any obstacles that might exist. I am glad to see the listing of so many projects that have to do with the intent of easing the traffic woes in the country and opening up the country. I am also very happy to see that there are plans that seem to connect with it that have to do with the building of infrastructures and car parks, et cetera, that relate to the same thing.

I am also very glad to hear that many of the submissions by the Members of Parliament have been taken into account and I hope that mine will be taken into account for Caroni Central.

Mr. Hinds: Most certainly, definitely.

Dr. B. Tewarie: But having said so, all of these are projects that have been identified. The work remains to be done and things have to be sequenced and done in a certain way. You mentioned the issue of procurement. I remember when the matter of the approval for \$50 billion worth of loans came up in this Parliament, I brought an amendment to the Parliament on the day we debated that Bill asking that, while we approve the money, that no procurement proceed until the Procurement Bill had been proclaimed.

SFC Report (Adoption)
[DR. TEWARIE]

Friday, April 08, 2016

Having said that, I want to address some of the issues in this particular presentation by the Minister of Finance and addressed by a number of Members on both sides of the House and the things that we are dealing with today are, of course, the proposals for the Variation of Appropriation for the fiscal year 2016 and the report, the Standing Finance Committee Report, that was held to examine that on Wednesday, as well as the statement by the Minister of Finance, the Mid-Year Fiscal Review.

The hon. Leader of the Opposition did not have the opportunity to read this statement when she spoke. And in a sense she had to respond on the spot based on what she had heard and what she could recollect and what she chose to focus on. I want to say that I did have the opportunity to read this because I got a copy of it [*Interruption*] and I did ask for it, yes. I got a copy. And I was able to look at it while the debate was going on here and I did pick out some things that I wish to address in my contribution here this evening.

But, Mr. Deputy Speaker, I want to say that, you know, after five years of governing in a certain way, having been in the last administration and going through the process of five budgets and having reviews and everything, this is the first time in six years that the newspapers expressed a sense of anxiety and almost panic on the day that this presentation was going to be made.

I think in a way that is very instructive. I do not know if that was planned, strategized or if it was a genuine response. One can never know in the complexity of how a society works. But the fact that on this occasion you had that, I think it is very instructive and I took note of it, the headlines, et cetera. And I myself did a morning interview on TV6 this morning and the first question I was asked was a question—was whether I was panicking. And my response, of course, was that I was not panicking at all because the country had to find a way to live within its means. And there were a number of options available to the Minister of Finance and the question would be, what options would he choose and what would the combinations mean? And would he in making those choices create the conditions in which we would not only be able to live within our means, but develop the capacity to grow and therefore to put aside savings for one rainy day or some rainy day. And that is the approach I want to take in relation to this presentation and the documents that we have before us today.

But the second thing I want to say is that, I think for the first time also, in six years—I may be wrong about that but I think I am right about it—we had line-ups in the gas station today before the presentation of the budget. And I think that is

also instructive. So we had the panic and what you call it, the panic and the anxiety level increasing, and then you had the line-ups in the gas station today. And I said to myself, it is true, the PNM is back. [*Desk thumping*] I knew that.

So I want to say that after the presentation, certain things were sure from the point of view of the population. The first thing is that the price of the US dollar is now \$6.82 and they will have to deal with that reality.

11.00 p.m.

The two labour increases we gave to workers in the country and the two increases in the minimum wage—[*Interruption*] I hear the Minister of Finance saying what he is saying, but I also have a little understanding of these things, eh, and I know how they work. I know how they work and when I say this, I am not saying it lightly because the price of the dollar is now \$6.82, believe you me, and that will be managed however it is managed and manipulated however it wants. But if the demand is not satisfied and if the price is not managed in relation to demand, you are going to have other things. But I do not want to get into that because I am a patriot. I am committed to this country and I want to address this in such a way that will not fuel any kind of panic. And, basically, I want to say that.

The second thing is that today's presentation has wiped out two labour increases we gave to workers in this country over the last five years and two increases in the minimum wage. So this has been done by the VAT on zero-rated items, the fuel tax, the elimination of subsidies and the devaluation of the dollar. When you put them together you begin to see the cumulative effect on wage increases over the last several years.

Today, super gas is \$3.58, diesel is \$2. The subsidy is set to go. There is a 50 per cent tax on luxury vehicles. There is a tax of 7 per cent on online buying, and there is also an alcohol and a cigarettes tax. There are some other things that we need to take into account as the new reality, the new normal, as the Minister said. The oil price is now pegged at \$35, gas at \$2. We are on course, it seems, from the Government's point of view, to borrow up to \$50 billion. The Minister of Finance indicated some time ago that he would try to attain a ceiling of 63 per cent to GDP, but a rough calculation would suggest it is likely to be, if they borrow all, about 70 per cent.

We are also set on track to take \$1.5 billion from the Heritage and Stabilisation Fund. That is US money. And in all of this, and without trying to be populist, to use the word of the Member for Laventille West, we are sure, given

SFC Report (Adoption)
[DR. TEWARIE]

Friday, April 08, 2016

the nature of the combination of all of these things, that the greatest pressure is very, very likely—more than likely, in fact in reality will fall on the poor, the growing unemployed, the underemployed, the working poor and the middle class. That is where it is going to hit.

And that is not said to cause any divisiveness. It is not said to cause any panic. It is said to simply indicate that when you put measures into place and you do not think everything through, including the ultimate consequence, it is easy to do things which can cause a little havoc in the system. So I say those things, understanding that in the document is mentioned property tax; is not mentioned but we are likely to have escalation in the rates of water; escalation in the rates of electricity, and therefore we are, in fact, and indeed, we have to prepare for a new normal. That is going to be the new normal in Trinidad and Tobago.

And I am not saying that the Government did not have to make, or does not have to make, hard choices. I want to agree with the Member for Laventille West that the situation is challenging. He did not use the word “challenging”, he used a more severe word, but the situation is challenging because the price of oil is where it is and the price of gas is where it is, and that makes the situation very, very challenging indeed.

I want to mention something else as I continue, and I heard the discussion about URP and CEPEP, but I really resented the discussion of URP and CEPEP together with GATE. I think the combination of these things in the same lump like that makes it necessary for me to illustrate, as I have illustrated here before in other contributions, that there is something amiss with the thinking on the other side that results in the kind of approaches that we get in policy and in articulation of policy going forward by this Government.

Now I did take into account the contribution by the Minister of Agriculture, Land and Fisheries. I have interacted with him in my constituency. I have written to him. He has indicated that he has responded to me, but some of the issues that you raised, the issues having to do with members who live in my constituency who are farmers and who are involved in agriculture, I would really like to see my constituents’ issues addressed, and I hope that we can work on some of those things in a collaborative way. All the issues that you raised of land tenure, of labour, of access roads, the fisheries issues, the water system that the Member for Chaguanas West raised, the cocoa issues, all of those things are issues which are very real in my constituency and I would like to see them addressed.

But I do want to get on to the meat of the contribution. The hon. Prime Minister also raised a couple of issues when he rose to speak. I do not think—and

this was articulated by the Member for Laventille West as well. I do not think it is reasonable to tell the country that, you know, we are on the doors of the IMF and if we do not do something dramatic, then we are going to end up in the arms of the IMF and it is going to be worse for us. I think if you are a government, you are in charge of the country. As he himself said, you have a number of options in the situation. You have a reality check. Out of those options you pick what you think are important and you do them because they are, indeed, important. And whether or not the IMF is a factor of your thinking, I do not think the country, or the population—the citizens—should be put in the kind of corner which says, “Boy, the Government had to do this because if they did not do this we would go to the IMF”.

I think it is a false argument and it is not fair and it is not a reasonable argument, given the realities of the numbers that I know. And I have some of the numbers here but I will only refer to them if I really need to. But to put it as starkly as that, “It is IMF or this”, I do not think that it is a reasonable position to articulate and I want to say that, and especially from the Prime Minister, because when the Prime Minister speaks, obviously people pay even more attention than they normally would to what is being said because he is the head of the Government.

Now, the Minister of Finance, in his presentation, he did a lot of things that a midterm review would require. All right? He talked about what the Government had done over the last seven months. But at the end of the day what that ended up being is that they had received less revenue than they anticipated and that they had spent significantly less than they said they would, or they thought they would, and the end result of what he said, really, gives life to all the Members on this side who said that, really, they had spent the last seven months doing very little in terms of results for the country. [*Desk thumping*]

Now, he also said some of the things that he wanted to do going forward, and that is fine. He tried to identify how they were going to pay for it. I think that was reasonable. He tried to identify—and he did identify in some areas—where the money was going to come from, and I do not think he dealt very well, though, with how all of this is located in the context of a wider vision and plan. I felt that this was very weak in terms of locating what was being done today, or what is being indicated today as the intention of the Government. I think it was not well located in the context of where the country was headed and where we are going as a people, and I think that that is something, again, to ponder because, you know, this Government came to office on the belief by the population that they were

SFC Report (Adoption)
[DR. TEWARIE]

Friday, April 08, 2016

“red and ready”, and therefore I feel that whatever you come to say to the population seven months later, even though it might simply be a further articulation of most of what you said in the budget, I think that should fit into some larger picture of where the country is headed and what we are likely to see.
[*Desk thumping*]

Now the Minister of Finance did give us the numbers on expenditure for the last seven months. He did also indicate that the budget for this year would be reduced by \$4 million, from 63 to \$59 million.

Hon Member: Billion.

Dr. B. Tewarie: Billion, sorry—from \$63 billion to \$59 billion. And he did indicate that there was a revenue shortfall, that the revenue anticipated was only \$44 billion; that there would be a deficit, and he talked about how they are going to manage that deficit. And I will go to the text to deal with some of those things.

But the point that I do want to make, though, is that he kept saying, as he made his presentation, that whether or not we can do this for the Children’s Authority or whether or not we can do this for X or Y and so on, depends on the revenue. Okay?

11.15 p.m.

So it seems like the expenditure side of the equation put to us today is going to be dependent on the revenue situation more than anything else, and I wondered if that was a reasonable way to proceed setting the new budget target at \$59 billion. I raise that because it then makes the figure for expenditure tentative and, therefore, it makes the activity and the actions that are intended uncertain and, therefore, it is difficult to say at the end of the year what we are actually going to see in terms of results for the country.

Now, I said that there was perhaps a little problem with the thinking—and I have said before—and I am not trying to do anything, except to point out that the way the measures are articulated here does reflect in my view a kind of thinking that I do not think will get the country out of the recession. I say that because that is the big problem in the country, how to get out of the recession.

The Prime Minister is right, the recession is not locally induced and no amount of blaming of the last regime—and I noticed that there was less of that this time although some Ministers did do it—no amount of blaming the last administration is going to explain the challenge that we have. It is really externally induced and it does have to do, as the Minister of Finance said, with the

severe drop in the price of oil, the price of gas and, with that, the commodities. How you assess the problem is important because how you assess the problem determines how you manage the thinking process, and therefore, how you get to the solutions. So I want to read from the World Bank, Trinidad and Tobago—it is a website publication with an overview for Trinidad and Tobago and I simply want to read one paragraph.

“The medium-term challenges relate to managing the fall in international energy prices.”

Okay. So that is the issue.

“The country will need to tackle additional measures for fiscal consolidation, with a view to mitigate the effects of imbalances that have just started to occur.”

They have started to occur because of the severe fall of energy prices since January, getting worse since then.

“Against this background, the risk for the country would be to find itself with a swollen debt at a time when external financial cushions may have been eroded.”

So they are alerting the country that even though you have a severe drop in revenue you have to be careful about how you go about borrowing, because if you do not handle that well you are going to box yourself into a second trap as a consequence of the first one.

“Policy action will require difficult but necessary steps to rationalize expenditure...”

So the first thing you have to address is expenditure.

I remember when I spoke—it may have been the last time I spoke in the Parliament—I said that if the Government were serious when it came in October with the budget, it would have noticed that we reduced expenditure in January by four and a half billion dollars and that they would started at that point. It is rather ironic that the Minister of Finance now makes a cut of exactly around that amount, which is about \$4 billion to start, and it may well be that we have to deal with that with a greater intensity. In other words, the level of expenditure.

“Policy action will require difficult but necessary steps to rationalize expenditure and maintain adequate levels of revenues.”

So that is the other side of it which he is trying to manage and I want to admit that that is not easy, and I want to wish the Minister of Finance well on the

SFC Report (Adoption)
[DR. TEWARIE]

Friday, April 08, 2016

revenue side. But we told him that the VAT imposition, conceived as it was, was unlikely to raise the revenue at the levels that he indicated.

“In addition, in order to boost the country’s growth and diversification untapped potential, authorities’ attention should focus on structural reforms and on the business environment.”

Now what they are saying is that not only do you have to manage expenditure and manage revenue, not get into a debt trap even though your revenue has fallen, what they are telling you is that as you go about all of this, the thing that you have to really focus on is how do you alter the structure of the economy, and at the same time that you are doing that cause business and investment to flourish to get the country to grow.

Mr. Deputy Speaker: Hon. Member, your speaking time has expired. Do you care to avail yourself of the additional?

Dr. D. Tewarie: Yes, I would like to, Mr. Deputy Speaker. So this is a very important thing to consider in the equation you see, and what is happening is that I do not see that in the presentation. I do not see the management of this equation in the presentation by the Minister of Finance. I see the attempt to generate revenue, I see the attempt to cut expenditure, I see the attempt to raise taxes, and therefore, to raise revenue, but I do not see the management of this complex equation because the other side of it is that unless you can stimulate the growth of this economy we are not going to get out of the recession. So you have to do it all at once.

When you read the IMF—the hon. Minister mentioned this—Country Report, just the press release that they left, they talk about:

“the imbalances that are now starting to build up could lead the country to uncomfortable levels of debt and external financial cushions absent further action.”

It talks again about “rising levels of public debt” because you would have known of the Government’s intention to borrow. Then it talks about a number of things, and they talk again about:

“Structural reforms remain key to unlocking the country’s growth... potential.”—et cetera.

But when you read this little report, even this page and half report, you begin to see that a lot of the measures that are being introduced here by the Minister of Finance are actually recommendations of the IMF. [*Desk thumping*]

“The new Government agrees that policy adjustments are needed. Since assuming office six months ago, the Government has already taken some difficult but necessary steps in the face of sharply lower energy revenues, including widening the VAT tax base, cutting fuel subsidies, reducing the number of Ministries with a view to streamlining the civil service, and instituting spending cuts. Despite these measures, with the further fall in energy prices since the budget, the mission projects”—a fiscal year—“2016 budget deficit at some 11 percent of GDP, although if one were to consider asset sales as revenue rather than financing, this would be equivalent to about 5 percent of GDP. Continued projected deficits of this size call for further fiscal consolidation, perhaps of around 6 percent of GDP over the next few years.”

And you can see in the exposition by the Minister of Finance, the adherence to this kind of view, even using the funding arrangements by sale of assets in order to address the question of trying to deal with the deficit issue.

“We support the Government’s intent to conduct a national dialogue on fuel subsidies with a view to phasing them...over time, and to review the CEPEP and URP Government employment schemes and the Government Assistance for Tuition Expenses (GATE) program to make them more cost-efficient. Reducing such expenditures will also leave room for a needed reorientation towards development spending.”

So the IMF also understands that without growth all the measures that you make are going to come to naught if you do not have growth in the economy. But it is clear to me that although we are being warned about the jaws of the IMF that the Government policy is to follow the IMF, and I want to give [*Desk thumping*] a little warning about that, and it is not that I am against the IMF or I am against what the Government is doing. I want to say that the IMF has a way of looking at things in terms of accounting.

So if you come and you show them that you have made the deficit smaller than you intended to, by spending less and generating more revenue, they do not care if 200,000 people out of work. Okay? [*Desk thumping*] Because their view is that they give you the economic and financial prescription and the political management is your business. That is how they think and that is why I am saying I am worried about the thinking on the other side, because, you know, we have a challenge in Trinidad and Tobago that is something like this.

The whole world is moving towards sustainable development. The United Nations identified 17 of items. The whole world is talking about climate change

SFC Report (Adoption)
[DR. TEWARIE]

Friday, April 08, 2016

and its effect, and they met in Paris to arrange certain things. We are a fossil fuel energy producing country—I heard the Minister of Energy and Energy Industries talk about alternative energy and renewable energy, et cetera—and sustainable development is really about managing people as well as the environment, as well as economic prosperity and success, and you have to find a formula to do that, but the IMF is not too concerned about anything except the management of the books and that is what they are interested in.

I want to warn the Government that it is not enough to warn the people about the fact that we are trying to avoid the jaws of the IMF and then going with the IMF prescriptions without thinking through what are going to be the implications of this, and I want to say that it is—what I am saying to you is not to cause any kind of problem for you, but simply to alert you to the fact that you have to take IMF advice and prescriptions with a grain of salt. You have to know the society that you are dealing with. [*Desk thumping*] So having said that, I want to look now at some of the issues here in the document presented by the Minister of Finance.

11.30 p.m.

Now, at the beginning, he said that:

“We are now at the stage of the mid-term review and it is no secret that the economic environment has turned out to be significantly worse than envisaged at the time of the 2016 Budget presentation.”

That is seven months ago. And the Minister has been straightforward and honest in this, but I want to ask him: is this not because of all the things that you did beginning in the first month after you were elected, damaging confidence, not taking any action and being indecisive about how you were going to proceed? And this is very important too because we got here partly because of how you have handled the last six or seven months making it much, much, more difficult to get out of this situation.

Now, we are in a situation in which, again, we are going to dip in the Heritage and Stabilisation Fund and the Minister went out of his way to say it is not something to be parked up there on a shelf, that that is what it is there for, and we are going to borrow all of this money, and I imagine some of them are going to be projects that were mentioned here that are physical infrastructure projects. But I heard the Minister of Works and Transport indicate that there was going to be public-private partnerships and they were going to have design, finance, construct, et cetera.

So I am not clear as to whether Government is going to be the driver of this process, whether the private sector is going to be brought in, whether loans are going to be used—state-sponsored loans are going to be used to do this, and I think understanding how this is going to be done is very, very important to us. Because we cannot have the clarity we need about how we are going to get out of the recession unless we have clarity about some of these things.

Now, he identifies now as a time when we must exercise restraint and fiscal discipline. I have no problem with that. And he mentioned, you know, the number of Ministries that have been reduced in order to address civil service and so on and to institute spending cuts and then, of course, the fuel subsidies. I would not deal with the fuel subsidies. But what I am concerned about, I mean, how much has the reduction of Ministries really saved us? Because the public servants are the same, they are just put in less Ministries and the issue would be for us, how do these Ministries line up with the priorities that you have identified here. And for the first time in the seven months, we have a list of things that we can say, well okay, these are the things that the Government is going to spend their money on.

And I have already pointed out that very little has happened over the last seven months and it is now left to be seen how the action is going to flow for the rest of the year until 2016, and I suspect in 2016—2017 budget, what we are going to see, after we get to the Bill in May that put into effect some of these measures that have been announced and that are intended, I imagine in the budget in September, we are going to see an unfolding of what is emerging as the policy of the Government in fiscal terms as well and we hope in development terms as well. I think that the Government, in articulating—*[Interruption]*

Mr. Deputy Speaker: Hon. Member, you have two more minutes please.

Dr. B. Tewarie: Yeah. In the articulation here by the Minister of Finance, we can see some kind of clarity on the approach in fiscal terms but it is very difficult to discern clarity on the developmental side and this is especially important because it has to do with the role of the private sector in the relation to the State in a time of reduced income, and it has to do with the growth potential of the country in Trinidad and Tobago.

Mr. Deputy Speaker, what I will say is that we wish the Government well in their efforts but I think that there is something wrong with the thinking process that went into this. The impacts and the results have not been properly thought through. The equation has not been brought together in the way that it needs to and I am sceptical about whether we are going to achieve the objectives that the

SFC Report (Adoption)
[DR. TEWARIE]

Friday, April 08, 2016

Minister of Finance perceives that he will have at the end of this fiscal year 2015—2016. Thank you very much. [*Desk thumping*]

The Minister of Housing and Urban Development (Hon. Randall Mitchell): Thank you, Mr. Deputy Speaker. It is indeed a privilege to enter this debate even at this late hour to account to this Parliament and to the nation the positive impacts that the Ministry of Housing and Urban Development's initiatives would be in turning around the economy.

Mr. Deputy Speaker, 183 days ago, the country woke up to the fact that a new Government had taken office. [*Desk thumping*] As has happened throughout the life of our democracy, the transition was peaceful and it provided the opportunity for hundreds of thousands of people to collectively exhale. Quite understandably, the population's expectations were extremely high. They believe not only that good governance had returned to this country but also they expected this new administration to right the many wrongs of its predecessors. Quite understandably, they demanded that the many programmes and projects that had previously brought relief to them, but abandoned because of poor political decision, be returned.

And, Mr. Deputy Speaker, those are legitimate expectations. Those are expectations rooted in a philosophy that good governance is expected to result in an enhancement in the quality of life of each and every citizen of the Republic. Those are expectations rooted deeply in the PNM philosophy that the welfare of the many must always outweigh the ones of the few. [*Desk thumping*]

But when this administration assumed office 183 days ago, never in our wildest imagination did we anticipate the depth of the economic mismanagement. There is one stark reality confronting us and it is simply this: it takes cash to run the country. Without the resources available to us, this administration is hard-pressed at this time to fulfil the expectations of many citizens. And therefore, we have to come together as one to make best of what we have and to return to the days when we ate little and lived long. The harsh truth is that, as the finance Minister has stated, we cannot entertain champagne taste with mauby pockets.

The Ministry in which I now have the privilege to serve is by no means immune from the need to relook our operations and examine, both where the savings can be effected and where the efficiencies can be increased. The Ministry of Housing and Urban Development stands ready to play its role in the stimulation and consequent revival of the economy of Trinidad and Tobago through its critical involvement in the construction sector.

I believe the role of Government is to facilitate economic growth and development; to create an enabling environment for the creation of new entrepreneurs and to provide opportunities for citizens to so enhance their quality of life that their dependence on the national purse will be gradually diminished. This is the basic philosophy that now underpins the operations of the Ministry of Housing and Urban Development and this is as good a time as any, for me, to express publicly my sincerest gratitude to my predecessor Miss Marlene McDonald [*Desk thumping*] who laid the groundwork and did excellent work in the last seven months.

As this Government seeks to navigate the rough waters of these challenging economic times, there is no doubt that the role to be played by the Ministry is pivotal to that success. The Ministry's role is not only to provide well-designed housing to our citizens but also to utilize its unique position in the construction sector to jump-start the economy. Construction activities are considered to be one of the major sources of economic growth and development in any country.

The PNM recalls with pride the vitality of the construction industry during the first decade of this century when the then Government was accused of overheating the economy. During those days, unemployment fell to some of the lowest levels ever experienced in this country. Small businesses thrived and countless new entrepreneurs were born. It is this Government's intention, and that of the Ministry, to continue to build on that vision and in so doing contribute to the eventual turnaround of the economy. There are six broad initiatives which my Ministry will pursue vigorously in these coming months as we too make our contribution to rebuild this country. These six initiatives:

- The accelerated high-density housing programme and the creation of new towns through targeted growth areas.
- The subsidized mortgage loans.
- Housing grants including the Home Improvement Grant and the Home Improvement Subsidy designed to assist families experiencing financial difficulties.
- New home subsidies to encourage first-time homeowners to build their new homes.
- Squatter regularization which give land ownership to citizens who have been living on state property.

[MADAM SPEAKER *in the Chair*]

But, Madam Speaker, I am ever mindful of the state of the economy inherited from the last administration, and therefore the necessity to approach these initiatives from a different perspectives. There is absolutely no doubt in the minds of those who sit on this that more attention must be paid to the greater involvement of our private sector partners in these ventures. It is therefore the Government's intention to actively pursue and facilitate the return of the private public housing partnership, and I know the Member for Tabaquite would be interested in this as he, himself, has declared he is a housing contractor. Madam Speaker, the private public housing partnership will reinvigorate this construction sector similar to what we experienced during the 2003—2009 period.

Madam Speaker, the primary objective behind utilizing the private/public sector partnership is to harness the large sums of money available in the private sector by encouraging private individuals in micro, small, medium and large companies, with access to funds, to invest in the housing programme, which will result in a greater earning on their investment. And this is how it will work: the HDC has invited private entities to express their interest in partnering with the HDC to provide affordable housing to qualified citizens. The main feature of the expression of interest is to allow the HDC to access private sector capital funding, financial, managerial and intellectual capacity, to expand and meet the national housing demand. The HDC, in turn, will acquire and provide lands upon which the houses are to be constructed.

This approach to the provision of housing will increase the HDC's output exponentially with expected housing starts of 3,000 units annually. This output will narrow the gap between the supply of public housing and the demand for this housing with persons expected to occupy these homes within one month of their completion.

11.45 p.m.

Madam Speaker, the Member for Oropouche East gives the impression that all works have stopped. Nothing could be further from the truth. Currently the HDC has 36 active projects. Twenty-two are under construction while 14 are in the pre-construction phase. From the expressions of interest, which have been submitted thus far, the HDC has identified 20 projects that can commence immediately, following the receipt of the necessary approvals.

The HDC will soon launch a second phase of the expressions of interest for submission in the following categories:

Category A: Provision and use of private lands for housing development.

Category B: Provision of private financing.

Category C: Design/build/finance for single and multi-family housing construction.

With these projects identified and more to come on stream the construction sector is set to take the economy to new levels, even as we battle falling oil revenues and other economic challenges.

Madam Speaker, the expected increase in activity in the construction sector, through the PPP will directly and indirectly provide employment for citizens as there will be a greater need for skilled, semi-skilled and unskilled construction workers.

These employment opportunities will flow into other sectors and indirectly impact other downstream industries, from food vendors to bartenders, hardware stores to aggregate producing quarries.

Post-construction, the economy will further benefit from a slew of activity as homeowners furnish and upgrade their homes.

Over the past five years the construction and quarrying sector contributed 5.9 per cent to the country's GDP. According to the Trinidad and Tobago Investment Guide, construction employed 16.4 per cent of our labour force. This was in 2011/2012. The intention is to increase these contributions to GDP as we move away from the dependence on an oil-driven and focused economy.

As the HDC community is bloomed, more businesses and services will come into play as they provide key maintenance services in landscaping, repainting, and garbage collection. It is evident that the plans outlined are in keeping with our policy development and implementation strategy, which demonstrate that only this Government has a genuine interest in providing affordable, quality housing for vulnerable citizens. [*Desk thumping*]

It is also anticipated that with the Ministry's use of the PPP and the innovation of this Government, we will be able to, over time, reduce the heavy debts on the balance sheets with which the last Government has burdened this country. This not only releases scarce public resources to be utilized in other critical areas such as national security, education—[*Interruption*]

Dr. Tewarie: Would the hon. Member give way? You know, I have heard this by yourself and by others about the large debt. The debt to GDP ratio when we left office was 46 per cent. [*Desk thumping*] That is by no measure a large debt. The

SFC Report (Adoption)
[DR. TEWARIE]

Friday, April 08, 2016

debt that the IMF refers to is the increasing debt which you are going into, which I was warning about.

Hon. R. Mitchell: Madam Speaker, as I was saying, it is further anticipated that these private investments will draw other private investors to the market thereby creating a sustainable model for economic growth.

Most importantly, Madam Speaker, unlike the UNC regime, we will return to our original and existing mandate to provide affordable housing solutions to the citizens of Trinidad and Tobago.

Through the PPP approach we will manage the cost of construction. The contractor will not determine the cost of construction. All savings will be passed on to the homeowner who will be paying a lower price for their homes, thereby enabling use of these savings in other sectors. [*Desk thumping*]

Madam Speaker, during 2003—2009, the HDC, under the PNM, adopted the New Way Home Housing Programme and was able to yield approximately 16,000 housing units at an estimated unit cost of approximately \$352,000 per unit. The cost to the State at that point was estimated at \$5.5 billion. This was achieved through its accelerated housing programme and Infill lots programme, the latter of which engaged over 500 small and medium contractors.

This led to a widespread distribution of resources and dispersion of benefits throughout the population and a major trickledown effect in the economy. It is well-known that small construction companies work more—[*Interruption*]

Mrs. Newallo-Hosein: Madam Speaker, on a point of order, 44(10).

Madam Speaker: Hon. Member, I invite you to proceed. I realize your notes are a bit prolific but I invite you to proceed.

Hon. R. Mitchell: Thank you, Madam Speaker. [*Continuous Interruption and Crosstalk*] Yes, Madam Speaker. It is well-known that small construction companies work more closely with smaller hardware stores and tend to employ a greater measure of unskilled and semi-skilled labour, thereby creating employment and opportunity in the lower strata of society.

Madam Speaker, let us take a comparative look at the performance of the HDC during the last five years. I think the Member for Oropouche East described it as small minds operating big government. Well, Madam Speaker, let me tell you about his big mind operating big business and big government. [*Desk thumping*] Madam Speaker, the last five years, under the People's Partnership, reveals a very

sorry and worrisome state. The last Government, under the Member for Oropouche East, spent roughly \$5.5 billion to build 3,800 houses. The average cost per unit, Madam Speaker, \$1.4 million, and to compound the situation just a few large contracting firms were used. Madam Speaker, now when we send people from the database to interview, half of them cannot qualify, \$1.4 million per unit. Madam Speaker, if you talk to any expert, any quantity surveyor, they will tell you that the cost of construction over the last 10 years has not moved. The average is about \$500 per square foot to build the homes that the HDC built.

Madam Speaker, I wish to make the point that transparency, objectivity and balance will be etched into the operations of the HDC and we will return to what worked. [*Desk thumping*]

Madam Speaker, I turn now to the housing maintenance programme. In our housing maintenance programme we will be generating employment to the selection of a large cadre of prequalified contractors, approximately 200, who will carry out the maintenance work in a cost-efficient manner, unlike what took place under the HDC in the last five years. In fact, Madam Speaker, in the last six months prior to the general election, the HDC expended approximately \$103 million in so-called emergency works undertaken by approximately 15 companies and of this \$103 million, \$24 million went to one contractor, Riverside Enterprises Limited, to refurbish drains, roads and sidewalks. In another instance in Greenvale, \$124,000 was paid to a contractor to wash roads. Madam Speaker, I can assure you and Trinidad and Tobago this sort of outrageous conduct will not reoccur under my stewardship. [*Desk thumping*]

Madam Speaker, the Ministry of Housing and Urban Development also provides home improvement grants and home improvement subsidies to low income families. The purpose of the grant is to equip households to carry out basic structural repairs that would modestly enhance their living conditions. This grant is expected to maintain the current housing stock by increasing the number of homes that undergo repairs and reduce the annual demand for new homes. A grant to \$15,000 is awarded to applicants who are citizens of Trinidad and Tobago, whose gross household income does not exceed \$5,000 monthly and who can show proof of legal land tenure. The programme is implemented by the Ministry of Housing and for the period October 2015 to March 2016, 1,001 grants have been disbursed at the cost of \$15 million. These grants are given to the most deserving and the most vulnerable in society.

Madam Speaker, I turn now to squatter regularization. An essential component of the housing sector is the Ministry's Squatter Regularization

SFC Report (Adoption)
[HON.R. MITCHELL]

Friday, April 08, 2016

Programme, which is implemented through the Land Settlement Agency and which was given an additional \$72 million boost with loan funding from the IADB and the Second National Settlements Programme. This is one of the initiatives that we promised in our manifesto and we are delivering on them.

We continue to recognize the importance of improving the lives of this vulnerable segment of the population and for that reason the LSA was given the highest budget it has ever received in six years. Through this programme we continue to regularize squatters by giving them proper title to the lands that they occupy. It is our intention to complete the processing of Certificates of Comfort over the next two years. However, we are going beyond that, aggressively moving towards giving deeds of leases to squatters who qualify under the law.

Construction works geared towards improving essential infrastructure such as roads, drainage, electricity, water and sewerage, continued on five sites, which will yield approximately 1,000 when completed. These projects will all be completed within the financial year to the benefit of families whose quality of life would drastically be improved.

Additionally, the LSA carried out pre-construction activities on approximately 2,000 lots in 13 squatting sites over the past six months. Activities include perimeter and cadastral surveys, topographic surveys, land use planning and engineering designs. Some of these sites are ready for construction and others would be ready for the start of the 2016/2017 financial year.

The LSA has also been mandated to conduct preliminary regularization works for squatting sites in Port of Spain and environs, where little or no regularization work was done in the last five years and through these works employment will also be immediately generated to those communities that are plagued by high unemployment rates.

12.00 midnight

The provision of viable options for housing continues as well with the Residential Lots Programme, which will assist in expanding the construction industry by providing affordably priced lots to low and middle income earners. We have considered ways of improving the programme, and we are making it more affordable and available to the most vulnerable in society. This programme is geared towards the provision of fully-serviced residential lots to individuals who do not own land and can get financing for the construction of affordable homes. Work continues in several sites and we have approximately 1,200 lots in nine sites that would be ready for distribution of leases under the programme.

Construction works are being undertaken in a number of sites that would yield 578 lots.

Madam Speaker, the Ministry's thrust to invigorate the construction sector and thereby create jobs, stimulate the economy and provide stability in these difficult times is not limited to the housing industry. Through another of its agency, UDeCOTT, the Ministry has already embarked on a major drive to provide opportunities to the local construction industry. For instance, this Government has taken the bold decision to complete the long languishing Brian Lara Cricket Academy. No matter what the impediments may be, we will complete it. [*Desk thumping*]

Madam Speaker, this Government has also begun a developmental programme, which will witness the delivery of social infrastructure to the citizens of Trinidad and Tobago at the most basic level. For instance, UDeCOTT has commenced construction of the long awaited Diego Martin Regional Sporting Complex, a project which was started under the last PNM administration, but which the People's Partnership Government abandoned. [*Crosstalk*]

You see, Madam Speaker, this Government is ensuring that not only will our talented sportsmen and sportswomen have access to world-class sporting facilities, but the delivery of these projects is also designed to be completed not by the large and mega contractors, but by the small contractors throughout the country.

In addition to these sporting facilities, the Ministry is also working in the various communities in Trinidad and Tobago to construct new community centres and refurbish existing ones. Not only will these projects be delivered by small contractors, but UDeCOTT will employ a zoning method to its procurement to ensure that small contractors from each area is awarded the contract. This means, Madam Speaker, that a contractor from Fyzabad, for example, will not be building a community centre in Arima. This innovative approach is certain to have far-reaching consequences in communities across the country starting in Tarodale, Bon Air Gardens, Diego Martin and Cantaro, and that is just a start. This incubator programme will boost longer-term advantages by giving small contractors the opportunity to gain experience and grow into the next stage of their development.

Over the past six months, the Ministry has helped to buoy the construction industry with several major projects ongoing in the field of national security such as the Besson Street Police Station, Maracas/St Joseph, the St. Joseph Police

SFC Report (Adoption)
[HON.R. MITCHELL]

Saturday, April 09, 2016

Station. In addition, UDeCOTT is poised to issue a tender for the construction of the Roxborough and Old Grange Police Stations. [*Desk thumping*] Tobago would not be left out. These are sure to stimulate the economy both in Tobago East and West. This Government will also deliver hospitals to residents in Arima and Point Fortin and environs, with these projects using labour and resources from the area thereby creating jobs all over Trinidad from the far east to the deep south.

Since taking office, Madam Speaker, this Government has also worked to complete the Couva hospital and the Mayaro Fire Station, which was supposedly commissioned and opened by the former Government.

Mr. Deyalsingh: To complete it?

Hon. R. Mitchell: Complete it, to complete it.

Mr. Deyalsingh: I thought they commissioned it already.

Hon. R. Mitchell: No, it is not completed. [*Crosstalk*] I can say to the country that both of these projects are now being commissioned and are scheduled to be completed within the coming months.

Madam Speaker, I am pleased to announce that two of the buildings of the Government Campus Plaza are in the final stages of testing and commissioning. So after years of sitting empty and wasting taxpayers' money, they will now be occupied.

This Ministry will stimulate the economy through its establishment of a historical building restoration programme whereby local contractors would be encouraged to develop their capacity to undertake restoration and refurbishment works. Whereas the People's Partnership concept of restoration involves bringing in foreign contractors, this Government believes in using local resources to restore our heritage buildings to their former glory. This will ensure that taxpayers' money spent on restoring buildings such as the Red House, President's House and Whitehall remains within the borders of this country.

Madam Speaker, the Ministry's use of the public-private partnerships would not be confined to the housing sector, but would transcend to other construction projects, particularly those which have the unbounded capacity to bring some revenue to the Government's coffers. For instance, this administration has plans to develop Invaders Bay, Salvatori Building and the San Fernando Waterfront through this type of partnership. These developments would feature elements that not only attract investors to Trinidad and Tobago, but will also result in the creation of sustainable and quality jobs in construction, hospitality and financial services, as well as other opportunities for the people of Trinidad and Tobago.

Madam Speaker, I have no doubt that the Ministry of Housing and Urban Development will continue to play a critical role in strengthening the economic foundation of our country. We are more focused. We have an overarching philosophy for development, and I dare say now that for the last 183 days, we have had sound leadership in our hon. Prime Minister. [*Desk thumping*]

The Ministry's programmes all involve and encourage some degree of infrastructural development—the construction of houses and new buildings, repairs and maintenance—all of which serve to create employment and generate wages and salaries. It is envisioned that the money generated within the construction industry will circulate through the economy as money is spent and re-spent by businesses and households. Therefore, the overall economic impact of the construction industry will trickle down to local businesses through purchases of goods and services from other firms.

Madam Speaker, I began my contribution by alluding to an event that occurred 183 days ago. In another 183 days, Madam Speaker, this Government would have completed exactly one year in office. I want to give the population the assurance today, and I am sure I speak for everyone on this side—[*Interruption*]

Madam Speaker: Hon. Member for San Fernando East, your 30 minutes have expired, you are entitled to a further 15 minutes. Do you intend to avail yourself of it?

Hon. R. Mitchell: Yes, two minutes.

Madam Speaker: You may proceed. [*Crosstalk*]

Hon. R. Mitchell: Madam Speaker, I want to give the population the assurance today, and I am sure I can speak for everyone on this side, that this Government, your Government, will do everything that is legally possible to enhance your quality of life and to engender hope that together we can rebuild this rock, we can rescue our country and we would not only survive, but we would thrive. Thank you, Madam Speaker. [*Desk thumping*]

Mr. Rudranath Indarsingh (Couva South): Thank you very much, Madam Speaker. [*Crosstalk*]

Madam Speaker: Members.

Mr. R. Indarsingh: Let me say a very pleasant good morning to you [*Laughter*] and those on the other side and my colleagues here also. [*Crosstalk*] Madam Speaker, the Member for San Fernando East, and the recently appointed Minister of Housing and Urban Development boasted about 183 days a new Government is in office and also boasted about the leadership of this Government

SFC Report (Adoption)
[MR. INDARSINGH]

Saturday, April 09, 2016

which has been in office for 183 days. But I want to take the opportunity here this morning to pose a couple questions to the newly appointed Minister of Housing and Urban Development. I know that he has not been in that chair for 183 days [*Laughter*] but he has been in the Government of Trinidad and Tobago for 183 days. I do not know if he is aware—if the Minister is aware—that the spouses of any current Minister of Government—PNM Minister of Government—their spouses would have signed off on the quality of houses at HDC. [*Desk thumping*]

I know, Madam Speaker, they have a familiarity with being project managers and so on at different levels of different incarnation of PNM Governments and so on, so I do not know if he would be in a position to clarify this at some point in time during his tenure as the Minister, and I really hope that it is beyond 183 days.

Madam Speaker, also, if the new Minister is aware that one of the large contractors—in fact, of all the contractors existing at HDC the only one to be paid is a contractor who has been appointed by his Government to a board, if that is the new culture, that is the new culture of governance. [*Desk thumping*] That is the new culture of governance which exists within the Government that is led by Prime Minister, Keith Rowley. [*Crosstalk*] The Attorney General, I am sure he is quite competent to move around within his Ministry and so on, and given the rate of audits and reviews and consultations and so on that is taking place, I am sure that you have the skills and the expertise to find out who is indeed the person that I am referring to. [*Crosstalk*]

Madam Speaker, but what the Minister of Housing and Urban Development and the Member for San Fernando East did not tell this House and the listening population is that in 183 days this Government has had Trinidad and Tobago on autopilot. [*Desk thumping*] We the citizens of Trinidad and Tobago has seen a Government of inaction, a Government through its programmes and policies that has resulted in a state of paralysis, and a Government that has been clueless for 183 days, and in relation to governing Trinidad and Tobago.

Madam Speaker, the Member for San Fernando East boasted about the leadership of the Prime Minister and the performance of this Government, but I do not know if the Member for San Fernando East would have been reading the newspaper or would have read the newspaper of Sunday, March 06, 2016 and the headline of this article: “Six months squandered” written by a former PNM Minister of Government. [*Crosstalk*] The important thing is what he has currently written or what he wrote about the performance of the Government that you all belong to within the last six months. That is the important thing.

Mr. Al-Rawi: Could the Member state who wrote the article and where it is from please for the *Hansard*?

Mr. R. Indarsingh: Mr. Ralph Maraj, former Minister. [*Crosstalk*] And, Madam Speaker, apparently the Member for Moruga/Tableland is emboldened by the absence of the Member for Arima and the Minister of Education. [*Desk thumping and laughter*] He seems to be emboldened by his absence. I do not know if the stepfather is out of the house or out of the jurisdiction is responsible for his behaviour at this hour. So, I would advise him to stay in his crease and be a well-behaved stepchild [*Desk thumping*] so when the father returns he will properly brief him about his behaviour. [*Desk thumping*]

12.15 a.m.

Madam Speaker, they do not know much about him at the University of the West Indies, by the way, eh. [*Laughter*] Madam Speaker, on a more serious note, and I want to quote directly from the article, but the PNM was liming in Opposition. After six months we have absolutely nothing directional on the economy, national security, education, health, agriculture, trade and industry, culture, infrastructure, justice, governance, or strengthening the social fabric. That sums it up all as it relates to the performance of this Government for the last 183 days.

Madam Speaker, as I go on to deal with my contribution here today, or this morning, I want to take the opportunity to focus a bit also on what has been said by the—and I am focusing a bit on the constituency of Couva South, before I go on, as it relates to what has been said by the Minister of Finance when he said during his presentation, and I want to quote directly:

Accordingly, we are shifting—“focus towards improving our road infrastructure”—in order to ease traffic congestion and to assist the travelling public. “...we will also put more public transportation vehicles on the road, thus facilitating public transport at subsidized prices.”

During his contribution, the Minister of Works and Transport, the Member for Laventille West, indicated that he was in possession of a list of roads that needs to be rehabilitated from all Members of Parliament, and I hope that as they go forward with their programme of road development, and addressing the issue of infrastructural development, that probably we will learn.

I know that the Member for Laventille West, in no way, will be pursuing any policy of discrimination or alienation towards the constituents of Couva South,

but at some point in time he will be able to clarify why work has been stopped on the Beaucarro Main Road, and also why work has been stopped on the construction of Camden bridge, or the Captain Watson bridge, a very important bridge as it relates to dealing with the issue of traffic congestion and traffic alleviation, and so on, for not only the constituents of Couva South, but indeed the people of Central Trinidad, and throughout Trinidad who traverse in and out of Couva.

Member for La Horquetta/Talparo, if you are familiar with the geography of Couva South then you would be able to make pronouncements on the Captain Watson and Camden bridges, and so on. Confine yourself to Todd's Road, and so on, you know. So, in that regard, I am appealing to the Minister of Works and Transport to understand the urgency of addressing the state of the Beaucarro Road, the main road, and also the continuation of works at it relates to the Captain Watson, or what is known to be the Camden bridge.

Madam Speaker, I also, at this hour, want to fully endorse what has been said by my colleague, the Member for Caroni Central, when he sought to warn the Minister of Finance about the focus of the International Monetary Fund. During his presentation the Minister of Finance, in his initial budget presentation, would have referred to the role of the IMF and the Government inviting the IMF, and so on, and during his presentation today the Minister of Finance referred to the IMF, I think, about no less than 17 times, and it is important to understand the way that the IMF operates. The IMF simply focuses on the issue of accounting, and the IMF is very brutal in terms of addressing the socioeconomic concerns of any society.

The IMF is not concerned about sustainable employment. The IMF is not concerned about the well-being of people and the standard of living. I think that the Minister of Finance, who has great friends and who has been pursuing an agenda of social dialogue, and so on, needs to pay more attention to the back of the hand delivery of the IMF. Because if indeed they are trying to con the population in saying that they are not following the dictates of the IMF, but taxation is indeed a frontline recommendation of the IMF in terms of wherever they have gone into societies, wherever they have gone into economies, and so on, and it is important to note that the IMF involvement in societies and economies have always led to grave instability. They have had a track record of wrecking economies and wrecking societies, Madam Speaker. [*Desk thumping*]

Madam Speaker, the Minister of Finance may take great comfort in having further consultation, and so on, with one of his former colleagues, and sometimes

they will always tell you, a PNM is a PNM. So, Madam Speaker, yesterday when the former Minister in the Ministry of Finance, Conrad Enill, appeared on a—what I would call mid-year review discussion, he indicated that the fuel subsidy has represented the benefit the citizens received for living in an oil and gas economy. He further stated, Madam Speaker, and he said:

If the subsidy is removed it does not solve the problem.

Very strong and very powerful words, indeed, from a former Minister in the Ministry of Finance under the People's National Movement.

Madam Speaker, as the Member for Diego Martin North/East made his presentation, maybe in his winding up he will clarify, because I know that he had grave difficulty, and a lot of them on the other side had grave difficulty in telling the citizens of Trinidad and Tobago whether Trinidad and Tobago was in a state of recession. Up till today I have not heard from anyone on that side who have said, given the state of the economy where we are, why certain measures are being pursued, and so on, if we are indeed in a state of recession. Because, Madam Speaker, as my very distinguished friend and colleague would have indicated earlier on, that is the Member for Oropouche East, when he referred to the late British Prime Minister, legendary Prime Minister, Mr. Winston Churchill, when he said that a nation cannot tax itself to prosperity, and so on. We must be able to come to the conclusion that taxation without consent borders on what I would call robbery, [*Desk thumping*] and that is what the people of Trinidad and Tobago have been subjected to in relation to 183 days of PNM's rule.

Madam Speaker, what the PNM has done to the ordinary people of Trinidad and Tobago is instil further pressure. They have continued their attacks on the poor, the downtrodden, the trade union movement, the working class; whatever term that you may want to use. Madam Speaker, their initial budget and a mid-term review is supposed to improve the quality of life and standard of living of the citizens of a country, but after listening, or after having listened to the Minister of Finance, I am sure that all the citizens of Trinidad and Tobago can conclude is that the volley of taxation which has been unleashed in this House yesterday will only lead to a further increase in the inflation rate in Trinidad and Tobago.

Madam Speaker, I want to remind this honourable House, and, indeed, the population of Trinidad and Tobago, that one—in fact, a legacy of the PNM seems to be that anytime that they are in power that the country—inflation always skyrockets; it always increases. In fact, between 2002 to May of 2010, the food

SFC Report (Adoption)
[MR. INDARSINGH]

Saturday, April 09, 2016

inflation rate in Trinidad and Tobago skyrocketed to approximately 35 per cent, and Madam Speaker, core inflation skyrocketed to approximately 16 per cent. In fact, one of their frontline advisors to the current Minister of Finance, and a former Governor—of the Central Bank, in the person of Ewart Williams—Governor Ewart Williams had to warn the then PNM administration about its style of spending its fiscal discipline, and so on, and said that they were overheating the economy, and, indeed, their programmes and policies, and their pattern of spending was leading Trinidad and Tobago down a slippery road. So I am sure that the Minister of Finance could consult with his advisor and he will be reminded of their track record and their history.

12.30 a.m.

Madam Speaker, in this regard of the issue of inflation and so on, I want to remind those on the other side and the national population that the People's Partnership Government, of which I was proud to be a member [*Desk thumping*] under the distinguished and visionary leadership of Prime Minister Kamla Persad-Bissessar, never imposed a single tax [*Desk thumping*] on the people of Trinidad and Tobago, on the workers of Trinidad and Tobago for five years.

And we must never forget, Madam Speaker, that when we inherited or when we became the Government of Trinidad and Tobago in May of 2010, what the state of the economy; what was the global economic environment. We inherited office against the backdrop or background of a global economic meltdown. And it was for the first time in 17 years that Trinidad and Tobago experienced negative growth of minus 4.4 per cent because of nine years of programmes and policies under the People's National Movement. [*Desk thumping*] That is something that we must never forget, Madam Speaker. In spite of oil being US \$147 per barrel and natural gas fetching a price of approximately US \$10 per MMBtu, Trinidad and Tobago experienced negative economic growth for the first time in 17 years.

And Madam Speaker, when we came into office at that point in time we had to address the issue of the Clico bailout and whilst we were initially told that it was in the vicinity of approximately \$12 billion, the truth be told it has been in and around \$25 billion. [*Desk thumping*] And also, we had to address the issue of finding \$4 billion to deal with VAT refunds to the business community and debts to contractors which was over \$5 billion. And also, we did not throw up our hands in the air. We did not say that we were unable to govern Trinidad and Tobago. And in addition to dealing with these liabilities that I have pointed out to you, we had to find moneys to settle 133-plus negotiations in our five years. [*Desk thumping*] And we found an initial sum of approximately \$3 billion to settle the

first round of negotiations, the 2008 to 2010 period, and it was outstanding from them. It was the inaction, it was the vindictiveness of the PNM. [*Desk thumping*] It was the vindictiveness of the PNM not to settle any negotiations simply because at that point in time they had no support from the trade union movement. They had no friends in what?—the Joint Trade Union Movement and so on at the time.

Madam Speaker, the offer, yes my colleague, my friend from Caroni East is reminding me that the offer was zero, zero, zero. That is tantamount to a suppression and an undermining of the collective bargaining process. And, Madam Speaker, that is the DNA of the PNM in dealing with workers in Trinidad and Tobago. They cannot change you know. They cannot change. That is why they continue to speak of this \$5 billion outstanding to public servants and law enforcement officers as if it is a millstone around their necks. That was settled through the collective bargaining process under the Industrial Relations Act. And if you are indeed committed to upholding the laws and the Constitution of this country, you must indeed honour all moneys justly due to the public servants. [*Desk thumping and crosstalk*] Well, I know you would say that. I know you would say that. The Minister of Finance may have said that, but the goalpost always shifting because [*Desk thumping*] I do not know if the Minister of Finance is a sportsman of repute?

Dr. Moonilal: What? What sport?

Dr. Gopeesingh: That is heresy.

Mr. R. Indarsingh: But the goal post has always shifted since they have assumed office and in 183 days we heard that debts will honoured and so on and now we have been told and I want to get it right because I do not want to misquote, but as it relates to expenditure, the Minister of Finance said:

“...allocations to address the payment of salary arrears to public officers.”—and contractors.—In this regard, I wish to confirm that it is the Government’s intention 50 per cent of the outstanding arrears...to public officers by the end of June...”

And the way the goalpost continues to shift, that may go beyond June of 2016. And:

“The remaining...”—payment will—“...be paid in interest bearing...bonds by the end of September”—2016“or in two further instalments in cash in 2017, at the option of the workers.”

SFC Report (Adoption)
[MR. INDARSINGH]

Saturday, April 09, 2016

And that brings me to a very important point. The words at the “option of the workers”. When was the consultation held? [*Desk thumping*] When was the consultation held to put forward this position to the trade union movement or the duly recognized trade unions which were part and parcel of the collective bargaining process that led to these arrears?

Because, Madam Speaker, this leads me to the very critical issue of consultation because the Joint Trade Union Movement in an article written by Rhondor Dowlat by the *Trinidad Guardian*, Thursday, 07, April, 2016:

“Defer mid-year review—JTUM

OWTU president general, Ancel Roget said they were not privy to measures in the mid-term budget and therefore it could not get their support.

We should have meaningful consultation before major decisions that will impact workers in this country are taken. We cannot support any measure that will be adverse to workers.”

And, Madam Speaker, as I said, I do not know when the consultation was done for the Minister of Finance to put this position forward as it relates to the settlement of arrears to public officers and law enforcement officers of Trinidad and Tobago. And in an article written by—because there seems to be some kind of confusion.

Madam Speaker: Hon. Member for Couva South, your 30 minutes have expired. You are entitled to 15 more minutes. Do you intend to avail yourself of it?

Mr. R. Indarsingh: Yes, Madam Speaker.

Madam Speaker: You may proceed.

Mr. R. Indarsingh: Madam Speaker, thank you very much as it relates to the extension. But as I said, there seems to be a state of disarray in relation to this issue of consultation and meaningful consultation and when it took place and when it occurred and so on. Because the Minister of Labour and Small Enterprise Development Jennifer Baptiste-Primus—[*Interruption*]

Hon. Member: “Hotter than ah chulha”.

Mr. R. Indarsingh: Well we may reach there if I get down to the Revenue Authority and so on because she seemed to have flip-flopped on her position

when the Revenue Authority came into existence in her incarnation as the President of the PSA.

But, Madam Speaker, and I want to quote from the article written by within Clint Chan Tack on November 18, 2015 that this Government will keep faith in terms:

“Baptiste-Primus said”—Prime Minister—“Rowley was also assured JTUM members during their meeting that ‘this Government will keep faith in terms of keeping them involved in the decision-making process in this country.’”

Madam Speaker, and then the headline from *Newsday*, Thursday April 07, 2016.

“Imbert briefs Tripartite Council

FINANCE Minister...on Tuesday, briefed the National Tripartite Advisory Council about the current state the economy.

And Minister Robinson-Regis is the chairperson of the council and:

“Imbert made a presentation to the Council about the present state of the economy.”

And, Madam Speaker, as it relates to the composition of the tripartite council which focused on:

“...issues of labour, employment, the energy and non-energy sectors...”—and so on.

I know for a fact that there are representatives of JTUM, there are representatives of FITUN and so on this said council. So I really do not know if the new friends of the Government, they are in a state of disarray as it relates to what is consultation, what they are hearing in the tripartite council and so on and what the Minister of Finance is saying to them or has said to them.

But, Madam Speaker, it carries me to the very important issue that what the Minister of Finance did today is simply increase the price of super gas to \$3.58 per litre and diesel to \$2.00 per litre. Madam Speaker, that is the only thing that was of substance really, but it is important to note that he indicated that taxes will be coming on the gaming industry and so on and this is an indication that the Government is hell-bent on attacking the working class because yesterday I saw 1,000 single mothers marching outside the precincts of the Parliament [*Crosstalk*] saying and warning the Minister of Finance and warning the PNM Government

SFC Report (Adoption)
[MR. INDARSINGH]

Saturday, April 09, 2016

that their policies can only lead to further hardship and so on. And, Madam Speaker, is the sense of flippancy and arrogance that we have seen in this Government over the last [*Desk thumping*] 183 years. The arrogance is further exemplified when the Prime Minister said, is alleged to have said, PM in an article written by Anna Ramdass and Camille Hunte, Sunday April 03rd.

PM: Pick me up in a donkey cart

I do not know what vehicles they have and what they do not have.

When he was asked about the officer of the Prime Minister purchasing the new Mercedes for his official use yesterday. Prime Minister Rowley said, and I quote:

You are late in the line. I have had that question put to me about ten times for day.

“He presumed if the Office of the Prime Minister orders a vehicle, it would be for the official use and official purposes.”

This was a Prime Minister who is very familiar about the amount of alcohol and the quantity of alcohol at the Diplomatic Centre and a Prime Minister who could not say what vehicle “is pick him up”, the number of the vehicle and so on. Probably if I send my driver the Prime Minister would open the door and move in the car. I do not know. I do not know.

12.45 a.m.

And, Madam Speaker, that statement coming from the Prime Minister exemplifies the behaviour [*Desk thumping*] of the PNM over the last 183 days. And that was further reflected by the very distinguished Minister of Labour and Small Enterprise Development, because she was so arrogant that she did not have the time to meet with ArcelorMittal [*Desk thumping*] which has resulted in 644 persons losing their jobs. Today they do not know what will become of their pension plans and so on. And, you know what, the arrogance was further seen when the Minister of Trade and Industry—[*Interruption*]

Hon. Member: Cried.

Mr. R. Indarsingh: Well, she did not cry—well, she cried at AMCHAM. But, in relation to this particular issue when questioned about the loss of jobs at ArcelorMittal, she said she was “unphased” about the loss of jobs, that she will give them jobs. I want to advise all the 644-plus workers of ArcelorMittal to assemble with their families outside the Ministry of Trade and Industry, saying that we have come looking for jobs. [*Desk thumping*]

Madam Speaker, to crown it off, the arrogance of those on the other side continues. Well, the stepfather not here [*Laughter*] but, I could recollect reading in a newspaper article, “Mom and son living in savannah washroom”, and I want to quote directly from this article, and I want the Prime Minister to listen very carefully to what I have to say, because your arrogance continues to show and it will continue to show, and that will show the people of Trinidad and Tobago that you are not fit to be the Prime Minister of Trinidad and Tobago. [*Desk thumping*] Madam Speaker, and I want to quote directly:

“Applewhite said she went”—[*Interruption*]

I would not engage in any “wajang” behaviour. [*Desk thumping*] I will not engage in any “wajang” behaviour, Madam Speaker. I want to assure you.

“Applewhite said she went to the Arima constituency office and met MP Anthony Garcia face-to-face but did not get any help.

He was more interested in my child’s father and I ended up breaking down and crying.”

The Member of Parliament for Arima and the Minister of Education.

“He said I was wasting his time.”

This is a man who is supposed to display empathy for the children of Trinidad and Tobago, and said to a mother, that she was wasting his time.

Dr. Rowley: Where you get that?

Mr. R. Indarsingh: Where I get it from? Prime Minister, go to the *Trinidad Guardian* of Thursday, April 7, 2016, and you will see where I get it from. You will see where I get it from based on your sense of inquisition. [*Laughter and desk thumping*]

Madam Speaker, that exemplifies—and, you know what I want to say to the national community: they are Trump and following suit based on the behaviour of the hon. Prime Minister [*Desk thumping*] in the way that he is dealing with the citizens of this country, and what kind of leadership, the Member for San Fernando East, that he has provided in the past 183 days. That is the kind of leadership you must be able to look into, Madam Speaker.

Mr. Young: Standing Order 48(1), Madam Speaker. Standing Order 48(1), relevance. We have let him go on and on, nothing on the Bill.

Madam Speaker: Member for Couva South, you have a few more minutes, and therefore, if you could confine your contributions to the matters that have been raised in this debate. Please continue.

Hon. Member: It is the loudest mumbling I have ever heard in my life.

Mr. R. Indarsingh: When your stepfather come back you will talk to him.

Madam Speaker, as I move towards the end of my contribution, as I said, a UWI Economist Prof. Carl Theodore indicated that in a current recession, he warned that employment is the main casualty. And, certainly the behaviour of the Minister of Labour and Small Enterprise Development shows that there is no sense of empathy, there is no sense of concern about the socio-economic stability and well-being of families. In fact, the *Express* editorial of yesterday, Friday, April 8, 2016, and I quote directly, and I want to read into the record:

“The ArcelorMittal debacle has left some 700 workers jobless and increasingly desperate, their families and dependents stranded, and their futures bleak.

The once-vaunted Point Lisas steelmaker has executed a shutdown of its operations, ruthlessly turning its back on business and other T&T relationships.

In pulling all this off, ArcelorMittal has also shown up disappointing limitations on the capacities of the Rowley administration, causing it to appear both unprepared and clueless.”

The UNC did not say this, you know; the Leader of the Opposition did not say this; the *Express* editorial of Friday, April 8, 2015.

“From the very first act of the ArcelorMittal drama, Labour Minister Jennifer Baptiste-Primus, herself a veteran trade union leader, has played a role more of helpless reaction than of promising leadership.

As it turned out, she was as surprised as anyone when the company threw in the towel, and suddenly turned its back on the T&T steel business.

Ms Baptiste-Primus has been unable to convincingly deny that she showed insufficient interest when ArcelorMittal sought to give her advance notice of its plans, and the implications for their soon-to-be-discarded workers.”

And the editorial goes on to say:

“For yet another issue, the Government resorts to ‘consultation’ toward amendments of legislation on company regulation, insolvency and severance benefits.

As hopelessness heightens and militancy hardens, the best”—

Madam Speaker: Hon. Member for Couva South, your speaking time has expired.

Hon. Members: “Yeaah.” [*Desk thumping*]

Madam Speaker: The Minister of Finance. [*Desk thumping*]

Dr. Rowley: Thank you. Thank you. Thank you. It is a waste of good time.

The Minister of Finance (Hon. Colm Imbert): Thank you very much, Madam Speaker. [*Desk thumping*] Madam Speaker, ostensibly we were here today to deal with the report of the Standing Finance Committee of the House of Representatives, and, Madam Speaker, when I rose in this House, sometime ago, some 12 hours ago or so, 11 hours ago, the other side protested loudly, tried to invoke all sorts of rules and Standing Orders, and tried to attempt to curtail my presentation on the grounds that we should only be looking at the matters in the report.

Madam Speaker, I have noticed with some concern about the adventures of the various speakers on the other side after that. The contribution of the last speaker was confusing. I tried to link it in some way—

Dr. Rowley: To anything.

Hon. C. Imbert:—to anything. [*Laughs*] One of the points I was at pains to make is that we cannot spend money unless we earn it. We have to look at revenue generation before we can look at expenditure. But in the, I will have to say, rambling contribution of the last speaker, all I heard was about spend, spend, spend. That is all I heard. I heard nothing about earning revenue.

And, you know, Madam Speaker, it is public knowledge that when we came into office there was a \$20 billion gap between revenue and expenditure. Only somebody living in cloud cuckoo land would not accept that fact. Expenditure \$60 billion, revenue \$40 billion. We have managed through a number of innovative measures in terms of curtailing expenditure, raising revenue, to bring that gap down to \$15 billion. So, we have revenue of \$44 billion, expenditure of \$59 billion.

And therefore I sat in astonishment and heard allegations about overheating the economy. How can one overheat an economy if one is constraining and curtailing and conserving expenditure? How on earth? They are just throwing out words, random clichés and arbitrary phrases, disconnected, “discombupulated”—

Hon. Member: Discombobulated.

Hon. C. Imbert: Discombobulated, correct. Thank you very much.

Dr. Rowley: Embarrassing the Parliament.

Hon. C. Imbert: Embarrassing, Madam Speaker. And a feature of the other side is they would say, “I want to buss ah mark. This is the thing of the day.” And then when you hear them they are talking about something that happened seven years ago. How could something that happened seven years ago be the question of the day? Or the mark of the day? They are going back to 2002, 14 years ago.

Madam Speaker, I want to let hon. Members opposite know that since 2002 we have had one, two, three, four general elections. Four! And I am convinced that hon. Members opposite are just disconnected from reality; campaigning on matters on which you have already lost the election. [*Desk thumping*] Nobody is interested. Nobody wants to know what happened in 2000. I do not want to know. I do not even want to know what happened in 2015. I am already over the 2015 election. I, like the rest of the population, want to move on. I am not interested [*Desk thumping*] in the indiscipline, in the mismanagement that took place, because that is now history. That is factual what happened under the People’s Partnership. I, like everybody else in this country, want to move forward.

So, Madam Speaker, that is why we came today, we indicated there is a \$15 billion financing gap, and we are dealing with it in the various ways and means. I indicated we will use one-off items of expenditure; we will resort to borrowings; we have one-off items of income; we have asset sales recovering the money that was loaned to Clico in the Clico bailout and so on. We have to do that in 2016. We will continue to do things of this nature in 2017. But, by 2018, Madam Speaker, we have to get out of this squandermanic attitude of the Members opposite, who took the national expenditure from \$46 billion—that is what it was in 2010. The national budget was \$46 billion. They took it from 46 to 63. And the Member for Couva South boasts about all of those collective agreements. How could you boast about bankrupting the country? How could you boast about that?

It is absurd. How could you boast about just spending money like water? How could you boast about maxing out the overdraft at the Central Bank? I mean, I do not understand the thought process. I just do not understand it. And it is because of that fiscal indiscipline, and that squandermania that was engaged in by the Members opposite in the last five years, that is why they are now in the Opposition.

Because while they increased expenditure from \$46 billion to \$63 billion and there was no concomitant increase in revenue, they were just widening the gap between revenue and expenditure year after year. That is how they ran this country, from 46, to 52, to 56, to 58, to 60, to 63. That is all they were doing, just increasing expenditure, increasing the cost of goods and services.

1.00 a.m.

You heard the hon. Minister of Housing and Urban Development make the point that under the PNM of 2002 to 2010, the average cost of an HDC house was \$350,000. But under the People's Partnership between 2010 and 2015 the average cost of an HDC house skyrocketed from \$350,000 to \$1.4 million. Who does that?

Hon. Member: Moonilal.

Hon. C. Imbert: Who increases the cost of a basic house, a house on 1,000 square foot, two or three-bedroom house, no-frills house, who increases that from \$350,000 to \$1.4 million in a five-year period and then boasts about it?

Dr. Rowley: Moonilal.

Hon. C. Imbert: Who does that? Increase the cost of something by 400 per cent in just five years and boast about it and say you do something good, now contractors are out of work.

Dr. Rowley: And giving advice now.

Hon. C. Imbert: Of course, the contractors are feeling the pinch because you bankrupted the country and, you know, we are now faced with this difficult task. We have come in now, we have to deal with these issues, we are faced with a collapse of oil prices and it is obvious, any sensible person would know that if you are earning less than you spend you have to take drastic measures to deal with it.

I am just amazed at what I hear from the Members opposite. Why you are not spending this or why you are not spending that? And why you are not raising this and why you are not raising that? Where are we going to get the money from, Madam Speaker? What we are going to do? How we are going to pay? We are going to use jumbie beads. I just do not understand the mentality. I do not understand it. And what bothers me too, is that in this day and age the hon. Members opposite are still willing to manipulate poor people. You do not understand why you lost the election. People just got fed up of you, absolutely fed up. [*Desk thumping*]

SFC Report (Adoption)
[HON. C. IMBERT]

Saturday, April 09, 2016

There has been no indication from this side, from the Government and certainly not from me at any time that we intended to raise taxes on the gaming and gambling community. Nothing. I have not said a word about that since I was given the appointment as Minister of Finance, since September, not a word. But you managed to encourage a couple of hundred poor people to come outside the Parliament today to protest because you told them that the PNM Government was going to increase taxes on the gambling and gaming industry.

Dr. Rowley: Shame!

Hon. C. Imbert: Shame on you!

Dr. Rowley: Shame on you!

Hon. C. Imbert: Shame on you! Manipulating poor people. [*Desk thumping*] The only thing as Minister of Finance that I have said, is that under the existing law we have 250 members clubs also known as casinos and we are only collecting taxes, the Board of Inland Revenue for whatever reason, and we have to deal with this issue, is only collecting taxes from three. And that is something we inherited from the People's Partnership.

We inherited a situation where casinos mushroomed over the last five years and yet tax collection did not follow. So 250 members clubs, slot machine, roulette table, all sort of things, black jack, all these kinds of things going on inside of there for five years, 250 members clubs and the People's Partnership collecting from three. Three. So all I have said as Minister of Finance is that we need to collect taxes under the existing laws. We are not going to impose any new taxes. We are not going to impose any oppressive taxes. We are not going to put anybody out of work. Are you telling me that there are industries in this country that must be tax free? What kind of madness is this, craziness, people earning income and they must be tax free. It is absurd and it is reprehensible Members opposite would manipulate poor people like this to make them feel that— [*Interruption*]

Hon. Member: Parading them outside.

Hon. C. Imbert:—parading them outside—

Dr. Rowley: In the sun.

Hon. C. Imbert:—confusing them, lying to them in the hot sun. And what is worse, the former administration brought a Gambling (Gaming and Betting) Control Bill, 2015 to this Parliament, took it through a Joint Select Committee,

brought it back into the Parliament, and if the Parliament had not been dissolved in June of 2015 they would have enacted that Gambling (Gaming and Betting) Control Bill, 2015. The PNM's policy is no different. We do not intend to do anything different. In fact, it is my intention, and I have already spoken to the hon. Member for Siparia and the Leader of the Opposition, to bring back that legislation as is, where is. I will not change a full stop, a semicolon. Nothing. Bring it back because we need to regulate.

Dr. Rowley: It went to a committee already.

Hon. C. Imbert: It has already gone to a Joint Select Committee. It has already been debated ad infinitum. The matter has already been discussed. There may be one or two things that we may not have agreed with, but in the interest of peace and harmony it is my intention to bring back that legislation, that UNC legislation, unchanged, without changing a full stop or a semicolon and let us see what hon. Members are going to say then. Same legislation, exactly as is, I shall bring it back so that the policy of the PNM and the policy of the UNC will be in complete harmony as it relates to dealing with the regulation of the gambling and gaming industry and let us see what Members opposite will do. Will you be hypocritical? Will you be dishonest or will you be genuine and seek the betterment of this country? We will see, but I am asking hon. Members, stop manipulating poor people. Stop it!

With respect to some of the other measures, I have seen some of the banks come out already since I made my contribution today, and one bank alone, one bank, First Citizens Bank has indicated that credit card online purchases account for 13 per cent of the total supply of foreign exchange, some US \$600 million a year. That is just one bank and if I take the calculations and I extrapolate in terms of total quantum of foreign exchange that is used in Trinidad and Tobago, it seems to me that online purchases by credit cards account for approximately \$6 billion in sales in Trinidad and Tobago every year.

So it is not something that we can ignore as a Government, as a country, and that is why we decided to impose this tax of 7 per cent. We will wait until September because we will have to work out the mechanism, because we do not want to impose taxation unnecessarily on items arbitrarily and so on. So we have to, we are really focusing on online—*[Interruption]*

Mr. Singh: I thought you said you will be five minutes.

Hon. C. Imbert: Pardon.

Mr. Singh: I thought you said you will be five minutes.

Hon. C. Imbert: I am sorry. It was the Member for Couva South. If he had not spoken like that, if he had not rambled into irrelevancies I would have spoken for two minutes, for two minutes—

Mr. Deyalsingh: Wallace in wonderland.

Hon. C. Imbert: Wallace in wonderland. But, Madam Speaker, we have to have discussions with the banks and the credit card companies so that this tax focuses on the items that it is intended to focus on, which is online purchases of retail items from online retail stores like Amazon and so on. We do not want the tax be imposed in the wrong place, in the wrong direction. And that is why I am leaving it until September after we have the discussions. But the quantum of money has surprised me. One bank saying, US \$600 million a year in online purchases, online retail stores. [*Crosstalk*] You wanted to ask a question?

Dr. Tewarie: Yeah.

Hon. C. Imbert: Sure.

Dr. Tewarie: Are you suggesting Minister with regard to the 7 per cent online tax, tax for online sales, that you would perhaps distinguish between direct retail sales of a customer and a person having a manufacturing input, for instance, that buys with a credit card because they can get foreign exchange here or somebody buying things in bulk for commercial purposes here?

Hon. C. Imbert: Madam Speaker, this is precisely why I have given myself a period of almost six months to have appropriate discussions with the banks and the credit card companies. I was very clear, the tax will be imposed on online purchases from online retailers. I do not think I need to say anymore at this point in time. Over the next six months we will work out the mechanism with the banks and the credit card companies.

But the whole point is, Madam Speaker, it is very disappointing that elected Members, who are elected to serve the people, would think that it is right and proper to carry on and scream about expenditure and demand expenditure in the face of an oil price of \$35 or \$37; in the face of a collapse of revenues; in the face of a completely new paradigm; in the face of the declining oil and gas production in Trinidad and Tobago; in the face of global economic issues.

I heard the hon. Member for Couva South talk about ArcelorMittal. That had nothing to do with this Government or even the last Government. That had to do

with a glut of steel on the World Market. It had to do with the overproduction of steel in China. It had to do with a policy of the Chinese authorities to underprice steel and to flood traditional markets. If you will listen and read instead of just carrying on, you will see that what ArcelorMittal has said is that they were subject to countervailing duties in the United States so that they had stopped exporting steel to the United States and their largest markets were Central and South America.

They enjoyed a measure of success in that market until the Chinese decided that they would target the Latin American market and Chinese steel was coming in at 30 per cent lower than steel from the plant in Point Lisas. And the parent company had been subsidizing the local company for at least five years in the hope and the expectation that eventually the matter would stabilize itself and eventually they would return to profitability.

It just did not work out. They did an assessment of Chinese steel and they closed plants all over the world. They closed plants in Spain, they closed plants in North America—

Hon. Member: South Africa.

Hon. C. Imbert: South Africa. Trinidad is not unique in any of this. It had nothing to do with any Government. It has to do with a glut of steel on the World Market and a Chinese intention to kill the competition. It is just like oil. If you take the parallel to oil it is exactly what Saudi Arabia is doing. The price of production of oil in Saudi Arabia is what, \$9 or \$10 a barrel? I remember when it used to be \$3 a barrel in Saudi Arabia. Oil just bubbling out of the ground.

So when you can produce oil at \$9 a barrel you can sell it at \$11 a barrel or \$12 a barrel. So the Saudis can handle this for a period of time. They have a Sovereign Wealth Fund of \$700 billion. So they decided that they were subject to serious competition and a threat that they will lose their market share from the shale oil and gas producers in the United States, so they went to war. And so they decided they would undercut the American producers and they will crush them and they will destroy the shale oil industry in the United States. Because what had happened, North America had ramped up production of shale oil, exponentially. Whereas North America had, maybe, 1 million barrels or 2 million barrels a day of shale oil several years ago, North America had managed to get shale oil production up to 10 million barrels a day and this became a threat to the producers in the Middle East and to OPEC.

So they decided to crush them and the way they have tried to crush them is to just drop the price of oil down to a point where it becomes uncompetitive and unproductive and it is no longer cost-effective for the shale oil producers in North America to continue producing oil. And it is the same thing the Chinese are doing with steel. They decided to wipe out the competition by flooding the world with cheap steel at prices way below production.

Hon. Member: Everybody knows that.

Hon. C. Imbert: Everybody in the world knows that.

Dr. Rowley: Except the Member for Couva South.

1.15 a.m.

Hon. C. Imbert: So the unfortunate workers in Trinidad and Tobago are victims of a world war in steel. They are the victims of that. It has nothing to do with this Government. It has nothing to do with the previous Government at all, and it is just irresponsible and absurd and ridiculous to ascribe what has happened in Point Lisas to this Government or even the—I would not blame the past Government. That would be stupid. I would not do it because I am aware of what is happening in the world market in steel. It is simply supply and demand, and commerce. That is all it is.

So the workers have found themselves in a very bad place because they are the victims of what I call, a world war in steel, and we in Trinidad and Tobago are the victims of a world war in oil. We are just small players in this big world. We do not set commodity prices; we do not set oil prices. We have to take what we get. We have no influence whatsoever on the price of oil, and this is what hon. Members opposite have to understand.

Our major commodity—the price of the major commodity has collapsed, and while we were able to support ourselves with natural gas, we were able to do it because we were able to send cargoes to Japan, to Europe to South and Central America. So whereas Henry Hub was trading at \$2 and \$3, our cargoes from Atlantic LNG were finding their way across to the Far East, finding their way across to Europe, finding their way to Central America, where they were fetching prices of \$10 and \$12 per MMBtu. So in Japan—my understanding is some cargoes were fetching a price of \$20 per MMBtu just a couple years ago.

But the price of natural gas follows the price of oil. So as oil has collapsed down to \$25 or \$30, natural gas is simply an alternative hydrocarbon and the price of natural gas in those markets has now gone from \$20 down to \$15, down to \$10, and I was told last month it is down to \$5 now.

So whereas Atlantic LNG was earning money by diverting its cargoes to Far East and got \$15 and \$20 for it, and we in Trinidad and Tobago were benefitting from that, now it is down to \$5. So we have a collapse of oil prices and we have a collapse of natural gas prices, and this is what I mean by the new normal. And if hon. Members are going to continue with your irresponsible approach to governance and screaming and shouting and getting on, and talking about spend, spend, spend, spend, you will remain in Opposition for the rest of your natural lives.

And so, Madam Speaker, I thank those Members of the Opposition—few as they were who made any sense today—I thank them for their contributions and I beg to move. [*Desk thumping*]

Question put and agreed to.

Resolved:

That this House adopt the Second Report of the Standing Finance Committee of the House of Representatives for this First Session (2015—2016), Eleventh Parliament on the consideration of proposals for the Variation of Appropriation for the fiscal year 2016.

FINANCE (VARIATION OF APPROPRIATION)

(FINANCIAL YEAR 2016) BILL, 2016

The Minister of Finance (Hon. Colm Imbert): Madam Speaker, I beg to move:

That a Bill to vary the appropriation of the sum the issue of which was authorized by the Appropriation (Financial Year 2016) Act, 2015, be now read a second time.

Madam Speaker, as it is customary—well we should have dealt with these issues. The hon. Members opposite did not, and I must admit I took a little bit of liberty myself to deal with revenue rather than expenditure. But the Bill before us is simply seeking approval to move items of expenditure from one Ministry to another as a result of the realignment of ministerial portfolios. The one item that is a little different is the increase in allocation to the Parliament to support the funding of constituency offices. Everything else is just simply a realignment of ministerial responsibility and a shift in portfolios. As indicated, the responsibility for the children's homes has moved to the Office of the Prime Minister; the responsibility for the On-The-Job Training Programme has gone to the Ministry of Labour and Small Enterprise Development, and so on. I think we in this House have debated this matter to death and therefore, I beg to move.

Question proposed.

The Minister of Finance (Hon. Colm Imbert): Madam Speaker, I thank hon. Members for respecting the fact that it is now 20 past one, and that we all need to go home and try and get whatever rest is available to us. And in view of the sterling contributions made by hon. Members opposite on this Bill, I beg to move.

Madam Speaker: Hon. Members, just out of an abundance of caution, I just want to return to propose the question.

Question again proposed.

The Minister of Finance (Hon. Colm Imbert): Madam Speaker, I beg to move.

Question put and agreed to.

Bill accordingly read a second time.

Question put and agreed to: That the Bill be read a third time.

Bill accordingly read the third time and passed.

ADJOURNMENT

The Minister of Finance (Hon. Colm Imbert): Madam Speaker, I beg to move that this House do now adjourn to Friday, April 15, 2016, at which time we will complete the debate on the Strategic Services Agency legislation, and if time permits—and that is a big “if”, we will go to the debate on the Local Government Boundaries Order.

Question put and agreed to.

House adjourned accordingly.

Adjourned at 1.23 a.m.