

*Leave of Absence**Friday, December 04, 2015***HOUSE OF REPRESENTATIVES***Friday, December 04, 2015*

The House met at 1.30 p.m.

PRAYERS[MR. DEPUTY SPEAKER *in the Chair*]**LEAVE OF ABSENCE**

Mr. Deputy Speaker: Hon. Members, Dr. Tim Gopeesingh MP, Member for Caroni East has asked to be excused from today's sitting of the House. The leave which the Member seeks is granted.

CONDOLENCES**(MR. KAMALUDDIN MOHAMMED)**

Mr. Deputy Speaker: At this time we will ask for condolences on behalf of the passing of former Minister of Government, the hon. Mr. Kamaluddin Mohammed. I will at this time call on the Acting Prime Minister.

The Acting Prime Minister and Minister of Finance (Hon. Colm Imbert): Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, I consider it a privilege on behalf of the People's National Movement to pay tribute to Mr. Kamaluddin Mohammed. Mr. Mohammed was a foundation member of the People's National Movement. Before he became active in national politics both at the local and the central government levels, he had already established himself in several fields, such as pioneer in the field of East Indian culture; being one of the youngest imams in Trinidad and Tobago and also a main spokesperson for the Muslim community.

The young "Kamal" Mohammed, as he was affectionately called, met Dr. Eric Williams for the first time in 1954 at a function at St. George's College, Barataria. Thereafter, Kamaluddin Mohammed shared another platform with Dr. Williams at another function at Naparima College along with several other personalities such as Dr. Mosaheb who later became the Vice-Chairman of the PNM; and the then Mayor of San Fernando, Gerard Montano, who went on to become the Member of Parliament for San Fernando East. All of these events preceded the official launch of the People's National Movement in January 1956. Kamaluddin Mohammed was among the members such as—*[Interruption]* De Wilton Rogers, John Donaldson Sr. and Dr. Winston Mahabir who were all foundation members of the party together with Kamaluddin Mohammed.

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I think it is important that I list the names of the first executive of the People's National Movement. The chairman was Mr. Learie Constantine. The Vice-Chairman was Dr. Mosaheb. The lady vice-chairman was Miss Isabel Teshier. The general secretary was Donald Granado and the assistant general secretary, the first assistant general secretary of the People's National Movement was none other than Kamaluddin Mohammed, with the labour relations office being held by Ulric Lee.

This was the beginning of an illustrious political career of Kamaluddin Mohammed under the leadership of Dr. Williams, and the new political party the People's National Movement. He was the party's candidate in the first general election in 1956 for the St. Joseph constituency, when he scored a narrow victory over his rival Chanka Maharaj. It may be of interest to some Members of the House that Kamaluddin Mohammed had to survive an election petition from Chanka Maharaj, [*Laughter*] who claimed there were irregularities on election day; sounds familiar, eh. [*Laughter*] However, 50 or 60 years later things are in cycles. However, in March the following year judgment came down in favour of Kamaluddin Mohammed. The petition was dismissed and after that ruling he never looked back.

He started his ministerial duties having been installed as the Minister of Agriculture, Lands and Fisheries. In 1961 he won the Barataria seat for the PNM and was appointed Minister of Public Utilities. After serving in that Ministry for five years, he won his seat again in the 1966 general election and the PNM was once again returned as the ruling party. On this occasion, his younger brother Sham joined him in Parliament having won the San Juan East seat as it was called then.

Following the PNM's victory at the polls, Kamaluddin Mohammed got another daunting assignment when he was appointed Minister of West Indian Affairs, where he excelled in forging regional unity in the Caribbean. In fact, it was during his tenure in that Ministry, West Indian Affairs, that he earned the title of the Caribbean Man. He was largely instrumental in establishing the Post-Independence Regional Movement in the Commonwealth Caribbean.

In 1971 the PNM won all 36 seats which created some challenges for the party. Kamaluddin Mohammed won the seat again. One of his major achievements while serving as Minister of Health, was the construction of the Mount Hope Medical Complex, now known as the Eric Williams Medical Sciences Complex. That project, the medical sciences complex, was first announced by Dr. Williams

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in his 1976 budget presentation, when he announced he had planned to establish a medical school in collaboration with the University of the West Indies.

In 1975, Kamaluddin Mohammed attended the Commonwealth Prime Ministers Conference in Jamaica. Dr. Williams appointed him as head of the Trinidad and Tobago delegation, which took place at the Pegasus Hotel along with world leaders such as Indira Gandhi; Errol Barrow; Lee Kuan Yew and General Yakubu Gowon of Nigeria.

Kamaluddin Mohammed went on to serve in the Cabinet under the new Prime Minister, Mr. George Chambers, following the death of Dr. Eric Williams in March 1981. That same year the PNM won the general election again with Kamaluddin Mohammed winning his seat again, securing a record 26 seats. As it was in the beginning Kamaluddin Mohammed returned to the Ministry of Agriculture, Lands and Food Production under the George Chambers Government.

Throughout his political career, he has received many awards—among them, an award from the People’s National Movement for long and meritorious service to the party and country. He was also a distinguished recipient, one of the few, of the Order of Caricom, the Order of Trinidad and Tobago, and he was also honoured with an honorary doctorate from the UWI.

Mr. Deputy Speaker, I could speak for a very long time about the career of Kamaluddin Mohammed. It spanned over 30 years in public life. It is sufficient to say that this was indeed a great man, a great politician, a true son of the soil, and he will be remembered. His history has already been recorded, and I am sure a lot more will be said and written about him. On behalf of the People’s National Movement, on behalf of the substantive Prime Minister Dr. Rowley, on behalf of all my colleagues, the Government, on behalf of Trinidad and Tobago, may I express sincere condolences to his family. May he rest in peace. I thank you. [*Desk thumping*]

Dr. Fuad Khan (*Barataria/St. Juan*): Thank you very much, Mr. Deputy Speaker. It is a privilege and an honour to stand here today and pay tribute to the late Dr. Kamaluddin Mohammed. Dr. Mohammed was born on April 19, 1927. He was born to the son and daughter of indentured labourers. His father’s name was Fazal Mohammed and his mother was Khajiman Kartoum.

Dr. Mohammed as he is now called, was a man who spoke five languages. He spoke English, Hindi, Urdu, Persian and Arabic. He was also a musical composer and wrote songs for various artistes such as Tarran Persad and Isaac Yankaran. He

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also, Mr. Deputy Speaker, was the first person in 1947, September 25, to play the first Indian song on the radio. The song's name was *Khush Raho Tum Allah Wale*. It was the first time an Indian song was played on a local radio station; this was in 1947.

Dr. Mohammed at the age of 26, in 1953, went for county council election and became one of the youngest serving members in that area. He then became the chairman of that county council and met Dr. Eric Williams in 1954. They became very close friends and together with other members formed the People's National Movement, which in 1956 they were able to win the election, and created, as the Member of Parliament for Diego Martin North/East said, the first executive council, where Dr. Mohammed became the Minister of Agriculture, Lands and Fisheries.

Dr. Mohammed, throughout his stint we could learn many lessons from the life of Dr. Mohammed, but it is my opinion as the Member of Parliament for Baratania/San Juan, a seat that I inherited from him—I started in 1995. Dr. Mohammed was there for 30 years, from 1956 to 1986, and there he had many, many examples that were pretty difficult to follow. He was a shining example for us in the constituency. Whenever anyone had a problem, they would go to “Charch” as he was known then, and he would have counsel under his house in a room, up to as long as when he became ill, and he could no longer function in that regard, and he was still active in his sick bed, giving counsel to members of the constituency and members from the wider community.

For 30 years Dr. Kamaluddin Mohammed sat in this honourable House, and he was initially, as they said, the Minister of Agriculture, Lands and Fisheries and he continued on as the Minister of Public Utilities, the Minister of West Indian Affairs, and the Minister—back as probably—of agriculture as the Member indicated. But what is significant, Mr. Deputy Speaker, in 1965 while Dr. Kamaluddin Mohammed was the Minister of Public Utilities, the Caricom members decided to sign an agreement to have the Caribbean Free Trade Association without Trinidad and Tobago, because they were not present at the meeting.

Dr. Eric Williams at that time was not very happy, and he asked one of his best negotiating Ministers, who was then the Minister, I think, of Public Utilities, Mr. Kamaluddin Mohammed, to become the Minister of West Indian Affairs, and deal with this problem of the free trade area, the CARIFTA, the free trade economy. Dr. Mohammed was given that task and he went to Guyana and spoke to Prime

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Minister, Forbes Burnham. He went to Antigua and spoke to Lester Bird. He also went and spoke to Barbados Prime Minister, Mr. Errol Barrow.

1.45 p.m.

He was able to achieve what was set out to delay the signing of the agreement of CARIFTA, and it was then signed thanks to the Minister, and also deceased Kamaluddin Mohammed, on May 01, 1968, when it came into being. So we grieve today, Mr. Deputy Speaker, but the legacy of Kamaluddin Mohammed will continue to blaze a trail for the rest of us. Dr. Mohammed, additionally, was the first non-Caucasian to be appointed President of the World Health Organization. This was a very, very great achievement for us all. He was also given the Order of Trinidad and Tobago and the Order of CARICOM. He represented our nation acknowledging the pioneering work of Dr. Williams and others. He was always ready to lend assistance, and, I want to say, during my first term of office when I became the Member of Parliament for Baratania/San Juan in 1995, “Charch” called me into his counsel and offered advice on all aspects of constituency and political life, information that I use to this day, and strategies that I also use to this day, thanks to “Charch”.

On behalf of the Opposition, the Members on this side, my family, and on behalf of the people of Baratania/San Juan, I extend condolences to his wife Saleema, his children, Ravi, Nazim, Aleem, Nasser, Kamilla and Anilla. We do say goodbye to a hero of Trinidad and Tobago but he will forever live on in our hearts and minds anytime we look into the past, and he will be fondly remembered for the person who constructed and developed the Eric Williams Medical Sciences Complex and the medical school in Trinidad and Tobago.

I say today, goodbye “Charch”, and pray that you will be elevated as a recipient of paradise on the Day of Judgment. Thank you very much. [*Desk thumping*]

Mr. Deputy Speaker: Hon. Members, I endorse the expressions conveyed by both sides of the House. Indeed, Mr. Kamaluddin Mohammed, ORTT, served this beloved nation of Trinidad and Tobago for over 60 years at various levels from politics to religion and culture. As we heard, he entered the political arena in 1953, winning a seat in the community council elections of that year and went on to become the elected representative for the constituency of St. Joseph in the general election of 1956.

The House has already been informed that he served as Acting Prime Minister of Trinidad and Tobago and Minister in a number of areas, namely, public utilities, West Indian affairs, external affairs, health and local government, among

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others. We further recognize this giant of a statesman served as President of the World Health Organization in 1978 and ambassador to CARICOM for three years. He was the ultimate statesman and an exceptional Caribbean man, as he played an instrumental role in the development of not just Trinidad and Tobago but the region as a whole.

Hon. Members, we should all strive to emulate and maintain Mr. Mohammed's high standards of excellence in service to our country. He was a true patriot and a distinguished and honourable humanitarian. This House joins with his beloved wife and the rest of his family, and loved ones, in mourning his passing. Hon. Members, please stand with me to observe a minute's silence in respect of the late Mr. Kamaluddin Mohammed.

The House of Representatives stood.

May his soul rest in eternal peace.

I direct the Clerk of the House to send an appropriate message of condolence on our behalf to the widow of the late Mr. Kamaluddin Mohammed.

PAPERS LAID

1. Second Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the Siparia Regional Corporation for the year ended September 30, 2007. [*The Acting Prime Minister and Minister of Finance (Hon. Colm Imbert)*]
2. Second Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the Siparia Regional Corporation for the year ended September 30, 2008. [*Hon. C. Imbert*]

Papers 1 and 2 to be referred to the Public Accounts Committee.

3. Senior Citizens' Pension (Amendment of Schedule) Order 2015. [*The Minister of Social Development and Family Services (Hon. Cherrie-Ann Crichlow-Cockburn)*]

URGENT QUESTIONS

Scarborough General Hospital (Staff Salary Arrears)

Dr. Fuad Khan (*Barataria/San Juan*): Thank you, Mr. Deputy Speaker. Given the recent protests by hospital workers at the Scarborough General Hospital, could the Minister state when hospital staff will be paid salary arrears?

The Minister of Health (Hon. Terrence Deyalsingh): Thank you. The arrears to workers at the Scarborough General Hospital will be paid when funds become available, and the Minister of Finance will deal with that at the appropriate place and time. [*Desk thumping*]

Dr. Khan: Also, Minister, could you also say when will the staff at the other RHAs be paid their arrears?—as the question had asked.

Hon. T. Deyalsingh: File another urgent question. Your question was specific to Tobago. Thank you.

Mr. Deputy Speaker: Member for Barataria/San Juan, the supplemental question must directly relate to your question, or whatever answer the hon. Minister would have offered.

Dr. Khan: Can I ask a question, Mr. Deputy Speaker? Both of them are from RHAs so are they not the same thing?

Mr. Deputy Speaker: Hon. Member, I have ruled, the supplemental question must relate directly to your initial question, or based on the answer that the Minister would have extended. Next question.

Appointment of NIPDEC Board (Procurement of Pharmaceuticals)

Dr. Fuad Khan (Barataria/San Juan): To the Minister of Finance, given that the procurement of critical pharmaceuticals are dependent on the appointment of the NIPDEC Board, could the Minister state when this board will be appointed?

The Acting Prime Minister and Minister of Finance (Hon. Colm Imbert): Thank you, Mr. Deputy Speaker. Firstly, let me state categorically that there is no issue at this time with respect to the procurement of critical pharmaceuticals. That is ongoing and is not affected by the NIPDEC Board. With respect to the NIPDEC Board itself, the former Minister should know that the NIPDEC Board is appointed by the National Insurance Board, NIPDEC being a subsidiary of NIB. We have recently appointed Mr. Michael Toney as the chairman of NIB, along with other government representatives, and we expect that in short order the NIPDEC Board will be appointed in accordance with the regulations of the National Insurance Board.

Dr. Khan: Supplemental. Am I to assume that the Minister is saying that there is no shortage of critical pharmaceuticals?

Hon. C. Imbert: Mr. Deputy Speaker, as I said, there are no issues at this time with the procurement of critical pharmaceuticals by NIPDEC.

Dr. Khan: Thank you.

**Brazil High School
(Details of Recent Chopping Incident)**

Dr. Fuad Khan (*Barataria/San Juan*): Minister of Education, in light of the recent chopping incident of a student at Brazil High School, could the Minister state what immediate steps has the Ministry put in place to avoid recurrence of such incidents at that School?

The Minister of Education (Hon. Anthony Garcia): Thank you very much, Mr. Deputy Speaker. The situation at the Brazil High School is as follows, as soon as this incident occurred, the School Supervisor III of the North-Eastern District, Mr. Kendall John, directed the principal to initiate suspension notices to all those persons who were involved in this fracas. [*Desk thumping*] As a result, students have been suspended and the matter is being investigated. The suspension is for seven days. What has been happening is that the Student Support Services visited the school, the police were informed and they also visited the school, and enquiries and investigations are being conducted at this time.

According to our Education Act, as it deals with suspension, a principal has the authority to suspend a student for a period not exceeding seven days. If, in the opinion of the principal and those conducting the investigation, there is need for further investigation, the principal could apply to the Minister of Education for an extension to this suspension. The Minister of Education, on apprising all the facts of the matter, will determine whether he will agree to the extension of the suspension so as to have a thorough investigation into this matter.

As a result of the investigation certain things will happen, namely, a conference will be called involving the parents, the principal, the student, and members of the Support Services. At the end of this conference what will be determined is whether the student can remain in school, whether he can be transferred, or whether he can return, or whether he can be expelled. Thank you. [*Desk thumping*]

Dr. Khan: Minister of Education, kindly indicate that while those students are on suspension, would they be receiving any remedial behaviour therapy in order to continue their management?

Hon. A. Garcia: Thank you very much for that question. As I indicated just now, the Student Support Services are actively involved in the case, the police are also investigating, and I can assure you everything will be done to ensure that whatever went wrong will be rectified, and, as such, the students, even the offending students, will receive counselling in an effort not to have a recurrence of this problem.

**TTPost Strike Action
(Action Taken by Government)**

Dr. Fuad Khan (*Barataria/San Juan*): To the Minister of Public Utilities, would the Minister indicate what action has the Ministry taken to avert the threatened strike action by TTPost workers in view of the Christmas season upon us?

The Minister of Public Utilities (Hon. Brig. Gen. Ancil Antoine): Mr. Deputy Speaker, I have had discussions with the union representing the workers at TTPost, Postal Workers Union, and I have arranged a meeting at 2.00 p.m. on Monday to discuss their issues. We will chart a way forward during the meeting, the best interest of the workers, the general public, the Government of Trinidad and Tobago, in light of the upcoming Christmas season. Thank you. [*Desk thumping*]

2.00 p.m.

Dr. Khan: Just a supplemental. Has the board been appointed?

Hon. Brig. Gen. A. Antoine: The board at TTPost has not been appointed as yet.

Dr. Khan: Thank you.

Mr. Deputy Speaker: Member for Princes Town.

Hampers/Food Cards for the Underprivileged

Mr. Barry Padarath (*Princes Town*): Could Minister state any plans to assist Members of Parliament, which have happened in the past, with hampers or temporary food cards for the underprivileged for the Christmas season?

The Minister of Social Development and Family Services (Hon. Cherrie-Ann Crichlow-Cockburn): The matter is under active consideration and a statement will be made at the next sitting of the House. [*Desk thumping*]

ORAL ANSWER TO QUESTION

Children's Life Fund

5. Dr. Fuad Khan (*Barataria/San Juan*) asked the hon. Minister of Health:

Could the Minister indicate whether the Children's Life Fund has been audited?

The Minister of Health (Hon. Terrence Deyalsingh): Thank you, Mr. Deputy Speaker. On October 19, 2015 an agreement was executed between the Ministry of Health and Ernst & Young for an independent review into circumstances surrounding 13 cash transactions and one wire transfer at the Children's Life Fund. The audit will determine whether any wrongdoing was committed and will recommend any actions to be taken. A preliminary report was submitted to the Ministry of Health outlining the project schedule and some of the preliminary findings.

The milestones and time lines for the completion of the audit report are as follows: November 03, 2015—confirm objectives, scope and project execution; November 11, 2015—stakeholder engagement; November 26, 2015—review and analysis of documents received; December 01, 2015—conduct interviews with investigators and former staff; December 09—conduct interviews with parents or guardians; December 16—complete first draft report and obtain feedback; December 21—submit final report.

Some of the preliminary findings from the initial report include: incomplete records in particular for two cases; no audit trail to indicate custody of cash disbursements from the chief executive officer to the administrator of the fund to the parents and guardians; case references on the board's instruction letters appear to be inconsistent, and several letters did not name the individual case where the cash disbursements should be applied. Case reports presented to the board included overstated amounts for travelling accommodation, but there was no evidence of disbursements. In several cases payments were based on an initial lump sum quotation and final invoices were not requested from the hospitals. And payments for treatments were remitted to various bank accounts located in Curaçao, Barbados and Uruguay, and to date there has been no confirmation of these bank accounts being held by service providers.

Lastly, the preliminary report concluded that during the period under review there was a weak controlled environment combined with a lack of board-approved policies and procedures in relation to case management and cash disbursement processes. Thank you, Mr. Deputy Speaker. [*Desk thumping*]

Oral Answer to Question

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Dr. Khan: Just a supplemental. So, the final date that you said was December—[*Interruption*]

Hon. T. Deyalsingh: December 21.

Dr. Khan: So, we will wait on December 21 to get the final report to see whether there was any wrongdoings—in which you have not yet elucidated? Thank you. [*Crosstalk*]

Hon. T. Deyalsingh: There was wrongdoing.

Dr. Khan: [*Crosstalk*] He just said—I just elucidate no wrongdoing.

Hon. T. Deyalsingh: Mr. Deputy Speaker, there is a case here for wrongdoing, the final report will be submitted on December 21. But I have been at pains to speak about incomplete reports-keeping, incomplete bad policies and procedures for cash disbursements; moneys being sent to bank accounts not authorized or not held by service providers, especially in one egregious case, where moneys were transferred to a private bank account held by an individual and not by a hospital. And this took place under your tenure, Member for Barataria/ San Juan. [*Desk thumping*]

Dr. Khan: Could you indicate what bank account and who was the private individual?

Mr. Hinds: Leave that for the police.

Hon. T. Deyalsingh: File a different question, sir.

WRITTEN ANSWER TO QUESTION

The Minister of Planning and Development (Hon. Camille Robinson-Regis): Sorry, Mr. Deputy Speaker, may I just indicate that the question for written, we had indicated that it would be ready this week and it is and it will be distributed a little later on in the sitting. Thank you.

**DEFINITE URGENT MATTER
(LEAVE)**

**Scarborough General Hospital
(Payment of Arrears Owed to Staff)**

Dr. Fuad Khan (Barataria/San Juan): Thank you, Mr. Deputy Speaker. In accordance with Standing Order 17 of the House of Representatives—[*Interruption*]

Mr. Deputy Speaker: Let us hear the question, please. Proceed, Member for Barataria/San Juan.

Definite Urgent Matter (Leave)

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Dr. Khan: I hereby seek your leave to move the adjournment of the House for the purpose of discussing a Definite Matter of Urgent Public Importance, namely the failure of the Government of Trinidad and Tobago through the Tobago Regional Health Authority's board to pay salary arrears owed to hospital staff at the Scarborough General Hospital.

Mr. Deputy Speaker, this matter is definite since it refers to the failure of the Government to give a directive to pay the outstanding salaries to hospital staff at the above mentioned hospital. The matter is urgent since the lives of thousands of patients in both Tobago and Trinidad who utilize the Scarborough General Hospital are at risk due to such an impasse. And the matter is of public importance since it has the ability to take place with the staff at the public hospitals in Trinidad due to the absence of a directive by Government to resolve the payment of salary arrears owed.

Mr. Deputy Speaker: Hon. Members, I am not satisfied that this matter qualifies under this Standing Order. I advise that the Member pursue his matter under Standing Order number 16.

**DEVELOPMENT LOANS ACT
(INCREASE IN BORROWING)**

The Acting Prime Minister and Minister of Finance (Hon. Colm Imbert): [*Desk thumping*] Mr. Deputy Speaker, I beg to move Motion No. 1 standing in my name. In moving this Motion I seek the leave of the House to debate along with this matter, Motions Nos. 2 and 3 on the Order Paper which relate to the same subject.

Assent indicated.

Mr. Deputy Speaker: Proceed, Minister of Finance. [*Desk thumping*]

Hon. C. Imbert: Mr. Deputy Speaker—

Whereas it is provided by section 3(1) of Development Loans Act that the Government is authorized, for the purpose of:

- (a) financing general development in Trinidad and Tobago;
- (b) repayment of borrowings effected for such general development; or
- (c) repayment of borrowings effected for general development;
 - (i) by a statutory authority within the meaning of the Statutory Authorities Act;

- (ii) by an enterprise that is controlled by or on behalf of the State; or
- (iii) by the University of the West Indies

to borrow from time to time money externally or internally in a sum or sums not exceeding in the aggregate thirty thousand million dollars in the currency of Trinidad and Tobago:

And whereas it is also provided in the said section 3(1), that thereafter such sum in such currency may from time to time be specified by Resolution passed by the Senate and the House of Representatives:

And whereas it is necessary for the Government to borrow further sums of money for the purposes stated in the said section:

Be it resolved that for the purposes stated in the said section, the Government is hereby authorized to borrow money externally or internally in a further sum or in further sums not exceeding in the aggregate fifteen thousand million dollars in the currency of Trinidad and Tobago.

Mr. Deputy Speaker, the last time similar measures of this nature were brought to this honourable House and debated was on September 09, 2011. The Minister of Finance and the Economy at the time was Mr. Winston Dookeran and an examination of the records indicates that at that time in September 2011, the then Government increased the borrowing limits of Trinidad and Tobago by some \$32 billion. That was in 2011, Mr. Deputy Speaker.

At the time the question was asked as to why the then Government was seeking to increase the debt ceiling by \$32 billion in 2011. And the answer given was that it was simply a measure, but would not be utilized. In other words, the answer given was that it was to give a lot of float, a lot of cover for borrowing, but that the full ceiling would not be utilized.

Well, Mr. Deputy Speaker, I am afraid that is not what happened, and that is why we are here today. And what I am seeking to do today—what we are seeking to do today, Mr. Deputy Speaker, through these three resolutions is to amend the borrowing limits under three different pieces of legislation which would give an overall increase of \$50 billion as follows: an increase in the statutory borrowing limit under the Development Loans Act, Chap. 71:04 from \$30 billion to \$45 billion; an increase in the statutory borrowing limit under the External Loans Act, Chap. 71:05, from \$15 billion to \$30 billion; and an increase in the statutory borrowing limit under the Guarantee of Loans (Companies) Act, Chap. 71:82, from \$25 billion to \$45 billion.

It is necessary, Mr. Deputy Speaker, to put this matter in context. On the achievement of Independence in August 1962, the modernization of this country became the responsibility of the Government of Trinidad and Tobago. Prior to that, Mr. Deputy Speaker, we were a crown colony.

Through a range of policies and programmes anchored in five five-year development plans, the then Government—the PNM—began to lay down the foundation which the citizens would strive for better lives. In the ultimate, the socioeconomic welfare of the population was central to the economic plans and programmes and the five-year development plans.

At that time the evidence from both theoretical analysis and empirical experiences indicated that the defining feature of growth and development was an investment-led rollout of infrastructure and their associated delivery of services. It was also well understood that the establishment of infrastructure should not be financed by current revenues. Long-term financing for infrastructure and related services was considered to be far more appropriate given the long-term usage of infrastructure, in particular, through intergenerational usage.

Successive generations paid for the use of infrastructure put down at one point in time. The experience of all advanced emerging and developing countries has borne out these conclusions.

In the context of this broad economic strategy, Parliament in 1964 put in place the Development Loans Act, Chap. 71:04, the first Act in which we are seeking to increase the borrowing limit.

Section 3(1) of this Act provides authorization for the Minister of Finance to borrow both domestically and externally through the issuance of bonds for the purpose of financing general development in Trinidad and Tobago. The initial limits set by the Act in 1964 was US \$30 million or 51.6 million Trinidad and Tobago dollars at the then prevailing rate of exchange which was US \$1 to TT \$1.72. At today's exchange rate that is, in fact, equivalent to 192 million Trinidad and Tobago dollars.

Subsequently and in the context in the need for resources while ensuring debt sustainability, this limit—that is the public sector debt relative to GDP—was reset in Trinidad and Tobago dollars as follows: 1990 the debt limit was set at five billion Trinidad and Tobago dollars; 1994—TT \$7.5 billion; 1999—TT \$10 billion; 2002—TT \$13 billion; 2008—TT \$20 billion and then in 2011—30 billion Trinidad and Tobago dollars, so an increase of \$10 billion in the year 2011 under the former administration in just this one Act alone.

2.15 p.m.

The second Act which we are looking at today, Mr. Deputy Speaker, is the External Loans Act, Chap. 71:05. While external financing was envisaged under the Development Loans Act in 1967, the need for larger flows of foreign resources for developmental purposes became critically important in light of the foreign exchange requirements from domestic capital expenditure. For that reason, the Government established a dedicated source of external financing by enacting the External Loans Act, Chap. 71:05 in 1967. The Act provided authorization for the Minister of Finance to borrow for the purpose of financing general development in Trinidad and Tobago and for repaying borrowing effected for general development. The initial limit set by the Act in 1967 was \$50 million. Subsequently, the limit was increased on several occasions. In 1967, as I said, it was \$50 million; 1972, \$75 million; 1973, the limit was increased to \$125 million; in 1977 the limit was increased to \$1 billion; 1979, \$5 billion; 1989, \$6 billion; 1993, \$9 billion; and in 2011 the former administration increased the limit to \$15 billion.

The third Act that we are seeking to increase the limit is the Guarantee of Loans (Companies) Act, Chap. 71:82. Mr. Deputy Speaker, by the late 1960s the Government began to assume a larger role in developing the economy by establishing public corporations which were assigned economic and commercial roles in areas where there were market failures. For example, where the private sector was unwilling to intervene in the light of the risk involved, or the high capital requirements, or in areas where the Government considered the creation of the corporation to be of strategic importance; the development of the Point Lisas estate with a modern petrochemical and steel complex clearly represented an area of market failure where the Government had to intervene; the establishment of the National Gas Company of Trinidad and Tobago met the same strategic importance criteria.

There were many other companies operating in the commercial and economic field. Unlike any other company they were required to raise financing on both the international and local markets, and without track records of performance, Government guarantees were required. The then Government met this challenge by establishing the Guarantee of Loans (Companies) Act, Chap. 71:82. The Act provides for the guarantee, by the Government of Trinidad and Tobago, of loans by lending agencies to companies in which the Government holds at least 50 per cent of the ordinary share capital. The Act also provides for a limit on the total

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dollar value of guarantees to be provided by the Government for borrowing by wholly and majority owned state enterprises. Section 3 of the Guarantee of Loans (Companies) Act, states that:

“...the Government may...

guarantee the discharge by a Company of its obligations under any agreement which may be entered into by the Company with a Lending Agency in respect of any borrowing by that Company that is authorised by the Government;”

Since the enactment of the Guarantee of Loans (Companies) Act in 1969 there have been several revisions of the limits under the Act. In 1970 the limit was set at \$70 million; 1972, \$120 million; 1974, \$200 million; 1976, \$400 million; 1978, \$1 billion; 1979, \$5 billion; 2002, \$9 billion; and in 2011 the former administration increased the limit from \$9 billion to \$25 billion. [*Interruption*]

Hon. Members would be aware of utterances made by Members opposite as if this was something that had fallen from the sky and something that had never been done before. But I wish to remind hon. Members that in 2011 the former administration increased the limits under these three pieces of legislation in the aggregate of \$32 billion. Memories are short it appears, Mr. Deputy Speaker, on the other side.

There is a fourth piece of legislation, the Guarantee of Loans (Statutory Authorities) Act, 1968, Chap. 71:81. This Act provides for the guarantee, by the Government of Trinidad and Tobago, of loans by lending agencies to statutory authorities established by the Government of Trinidad and Tobago for undertaking public purposes. For example, airport modernization by the Airports Authority of Trinidad and Tobago, port development by the Port Authority of Trinidad and Tobago; water production and transmission by the Water and Sewerage Authority, electricity transmission by the Trinidad and Tobago Electricity Commission; housing development by the Housing Development Corporation, public transportation by the Public Transport Service Corporation, and carnival activities by the National Carnival Commission.

This Act, the Guarantee of Loans (Statutory Authorities) Act, 1968, does not prescribe a limit on the total dollar value of guarantees to be provided by the Government for borrowing by statutory authorities. And I wish to advise this House, Mr. Deputy Speaker, that under the former administration the outstanding guarantee loans under this piece of legislation, which has no limit, is approximately \$11 billion, which has to be added to all of the other loans that the former administration entered into or committed us to.

Mr. Deputy Speaker, the total borrowing limit under the three pieces of legislation for which there are limits is now \$70 billion, which is equivalent to 46 per cent of the 2015 GDP at market contemporary prices. However, there exists some very limited headroom for borrowing in the context of those limits. Under the Development Loans Act—and I think it is necessary to remind you what happened to the Development Loans Act under the former administration in 2011. In 2011 the limit for the Development Loans Act was increased from \$20 billion to \$30 billion, in 2011 under the former administration. It is not a very pleasant thing to report that of that additional \$10 billion that was approved by the Parliament by the former Government there is only \$200 million left in terms of headroom.

So, under the Development Loans Act, even though the borrowing limit was increased by \$10 billion by the former administration in 2011, they managed to use up \$9.8 billion out of that \$10 billion in the last four years. Under the External Loans Act there is just over \$1 billion of headroom left for borrowing, and under the Guarantee of Loans (Companies) Act there is only \$2 billion left of headroom for borrowing. So, of the \$32 billion increase in limit that the former administration came to this House with in 2011, they have used up approximately \$28 billion out of that \$32 billion. And I wish to repeat that when they came to the Parliament in 2011 and they were asked, why are you increasing the limit by such a large amount; why do you need to increase it by \$32 billion? They said, we do not intend to use that; that is simply cover for the future generation. But they managed to use up \$28 billion of the \$32 billion that they increased the limit by in 2011.

Now, Mr. Deputy Speaker—and it seems to me that the former administration was running on auto pilot, because how would they not know that all of this was taking place. How would they not know? With limited headroom under the existing legislation for borrowing—just as I said, only \$4 billion left out of that \$32 billion—and the continuing need for rolling out debt finance infrastructure, as well as for meeting budgetary purposes, the Government must pursue a debt strategy which is sustainable and flexible. To achieve these objectives, the Government must create headroom under the existing pieces of legislation to maintain a range of borrowing options in sufficient amounts, so as not to unduly limit the country's ability to make financing decisions which would minimize both the cost and the risk of the debt portfolio, as well as to ensure that the total public debt does not exceed sustainable limits.

However, this debt strategy cannot now be implemented given that Government is constrained by the absence of adequate headroom under the three

pieces of legislation which permit it to borrow. The new strategy will allow the Government to streamline its interaction with financial institutions, which provide the financing requirements not only for the Government, but for state enterprises and statutory authorities, and also to adhere to best practices at managing its debt profile.

It is the intention of this Government to ensure that the debt portfolio of Trinidad and Tobago will remain within international benchmarks as measured by the debt to GDP ratio and other debt metrics. Making the determination as to the sustainable debt positions, the Government of Trinidad and Tobago is aware that during the period when those countries in Europe were adjusting their economies to meet the technical requirements imposed by the common currency, the euro, a debt to GDP ratio of broadly 60 per cent was considered to be appropriate. However, that ratio in Europe has been rising in recent times in the context of changing economic and financial conditions in Europe.

Mr. Deputy Speaker, for the benefit of all hon. Members—because we have Members here who have short memories—in Trinidad and Tobago a debt to GDP ratio of almost 70 per cent was reached in 1991 under the former NAR administration, and there are some Members opposite who were associated with that administration. I wish to repeat, in 1991 a debt to GDP ratio in Trinidad and Tobago of almost 70 per cent, 69.7 per cent, was reached in 1991 at the end of two back-to-back standby IMF arrangements. Since 1992 the ratio has been falling. It fell to 62 per cent in 1995, 51 per cent in 2000, and under the People's National Movement between the 2001—2010 period, it fell from 51 per cent all the way down to 32 per cent in 2010. [*Desk thumping*] I will, in due course, explain what happened after 2010 when the Government changed.

Mr. Deputy Speaker, the debt metrics that we are looking at includes limited amounts raised by other debt-raising legislation, short-term borrowing—for short-term borrowing the Treasury Bills Act of 1960 has a limit of \$800 million; the Purchase of Certain—Clico/BAT—Rights and Validation Act, 2011, has a limit of \$8.2 billion; and the Purchase of Certain Rights (HCU) Act, 2014 has a limit of \$300 million. But, let us look at the experience since 2010, when under the PNM the debt to GDP ratio was reduced from 51 per cent under the UNC to 32 per cent under the PNM. Since 2010 the debt to GDP ratio has risen from 32 per cent to 46.3 per cent in 2015. The increase reflected in part the issuance of bonds for the Clico bailout in an amount of approximately \$11 billion.

However, there have been other very significant borrowings under the legislation. In 2014, under the External Loans Act, \$2 billion in new loans were

contracted, including flood alleviation, \$1.28 billion; energy sector support, \$.25 billion; naval vessels, \$.48 billion. Again in 2014, under the Guarantee of Loans (Companies) Act, \$7.1 billion in new loans were contracted; Point Fortin Highway, \$1.5 billion; Government Campus Plaza, \$.5 billion; Ministry of Education office tower, \$.23 billion.

2.30 p.m.

Another loan for the Government Campus Plaza, this time in the amount of \$3.5 billion; Government Campus Plaza outfitting, \$.5 billion; early childhood care facilities, \$.3 billion; payments to contractors, \$.4 billion; Family Court, San Fernando, \$.15 billion.

In 2015, Mr. Deputy Speaker, \$1.8 billion in new loans have been contracted. The Couva Children's Hospital, \$1 billion; six national sporting facilities, \$.55 billion; CNG project, \$.26 billion, and there are several new loans which were in the final stages of negotiation prior to the September 7th election which this Government is now saddled with: purchase of naval assets, \$1.2 billion; Arima hospital, \$1.1 billion; Point Fortin Hospital, \$.66 billion; Long-Range Patrol Vessel, \$.23 billion. Under the External Loans Act as I indicated, only \$1 billion of headroom remains.

In 2015, Mr. Deputy Speaker, in addition, under the Guarantee of Loans (Companies) Act, under the former administration another loan for the Education Facilities Company, \$285 million and 10 letters of guarantee were issued to state-owned enterprises in the amount of \$4.2 billion. This is in addition to everything that I have mentioned before.

Again, in 2015, under the Guarantee of Loans (Companies) Act, several other loans in the amount of \$1.3 billion—[*Interruption*]

Miss Mc Donald: What was Howai doing?

Hon. C. Imbert: Yes, they just borrowed like they were going crazy. In 2015 under the Guarantee of Loans (Companies) Act, several loans in an amount of \$1.3 billion are under review. Letters of guarantee may or may not be cancelled, including the National Operations Centre, National Helicopters Limited, purchase of helicopters. They converted a coordinating unit, the National Operations Centre, a coordinating unit that was supposed to coordinate all of the intelligence and anti-crime initiatives; a coordinating unit, they converted it into an operational unit and entered into an arrangement to purchase five helicopters at a cost of \$520 million.

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Again, for the National Operations Centre, again converting this coordinating unit into a private army, private military operation with no legislation, as the Attorney General points out to me. National Operations Centre, purchase of unmanned aerial vehicles, \$101 million; for the Rural Development Company, a loan, \$115 million; for NIPDEC, a loan for \$151 million; another loan for the paving of roads for NIPDEC, \$400 million, and so on and so on.

It is no wonder, therefore, that out of the \$32 billion headroom created in 2011, they burnt up \$28 billion of that in just four years. Mr. Deputy Speaker, in considering the increase in limits under the three pieces of borrowing legislation and bearing in mind that borrowing limits under the Guarantee of Loans (Statutory Authorities) Act do not exist, the Government is mindful of the need for maintaining—Mr. Deputy Speaker, I am hearing grumbling from over there. I am begging your protection to control the grumbling from the other side.

Mr. Deputy Speaker: Proceed, Mr. Acting Prime Minister.

Hon. C. Imbert: No, but, Mr. Deputy Speaker, they are still grumbling. [*Crosstalk*]

Mr. Deputy Speaker: Members, Members, Member for Barataria/San Juan, please, let the Minister proceed with his Motion in silence, please.

Hon. C. Imbert: Thank you very much, Mr. Deputy Speaker. Firstly, how much more time do I have. Fifteen minutes?

Mr. Deputy Speaker: You have until 2.55 p.m.

Hon. C. Imbert: Thank you very much—20 minutes. In considering the increases under the three pieces of legislation and bearing in mind that borrowing limits under the Guarantee of Loans (Statutory Authorities) Act do not exist, the Government is mindful of the need for maintaining at all times a sustainable debt position as it seeks to roll out the important physical infrastructure to finalize loan arrangement for projects which are under way and to liquidate arrears wherever they exist including for contractors.

The newly established ministerial committee on physical infrastructure under the chairmanship of the hon. Prime Minister, Dr. Keith Rowley, has been developing a framework to ensure that modern, strategically planned wide-ranging and multi-faceted infrastructure development remains an essential component of the future development of Trinidad and Tobago.

Mr. Deputy Speaker, there is structure in everything that the PNM does. [*Desk thumping*] Infrastructure is the backbone of everyday life. It underpins economic

activity. There is no activity which does not rely on infrastructure in some form. Inadequate infrastructure is quickly felt through power outages, interruptions in water supply, poorly maintained roads, inefficient ports and so on. These inadequacies affect our quality of life and present significant barriers for the operations of companies and other entities.

An IMF study in the October 2014 World Economic Outlook found that where appropriate an increase in public infrastructure investment—and I repeat, where appropriate—raises output in the short term by boosting demand and in the long term by raising the productive capacity of the economy. That is what we are about, Mr. Deputy Speaker, raising the productive capacity of the economy. [*Desk thumping*]

Our infrastructure programme—we are not into vanity projects. Over the medium term, we have our national highways grid programme, our East-West Corridor transportation project, [*Desk thumping*] our bus fleet renewal programme, mass transit system, government shipping service, new commercial industrial and passenger cargo/ferry ports in strategic locations, such as Toco and Moruga, air transport infrastructure developments, such as a new airport terminal in Tobago, modernization of the licensing office, a comprehensive drainage development programme and so on. This is just but a few of the infrastructure projects of the People's National Movement. [*Desk thumping*] And I dare say, Mr. Deputy Speaker, this country is well poised to undertake such public investment given the degree of economic slack which presently exists. The commitment to improve the efficiency of public investment through better project appraisal, project selection and project implementation and the elimination of corruption, waste and mismanagement. [*Desk thumping*]

The understanding that public investment would have larger output effects if it is financed by long-term financing, rather than raising taxes or reducing—Mr. Deputy Speaker, I think it is unprecedented in any country in the world, where a \$7.5 billion or \$8.5 billion project is financed from current revenues. That was the strategy of the former administration. Current revenues, who else in the world does that? No other country does that—put strain on the Treasury—and I will explain how much strain was put on the Treasury in a short while.

Mr. Deputy Speaker, the \$50 billion increase in the combined borrowing limit would bring, when it is utilized—because this is simply a limit, Mr. Deputy Speaker—would bring the total cumulative borrowing limit to \$120 billion. Accordingly, the gross domestic project estimated for the period 2016—2019, and the debt metric would be as follows: 2017, 65 per cent; 2018, 62 per cent; and

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2019, 59 per cent. And if, in fact, the Government did utilize all of this, which we most certainly will not, we are not like them, we would adhere to the debt guidelines utilized by European countries or all members of the current euro currency.

In these circumstances, Mr. Deputy Speaker, in the context of prudent economic debt and fiscal management, the Government would limit its outstanding debt to a maximum of 65 per cent of GDP. The new limit under the Guarantee of Loans Act has been set with a view to ensuring that the Government maintains the broadest possible range of financing options to ensure it can make the most cost-effective financing decision in the best interest of the people of Trinidad and Tobago.

Mr. Deputy Speaker, the current debt to GDP ratio of 46 per cent reflects an outstanding debt amount of \$76.5 billion. This amount is in excess of the statutory limit under the three pieces of legislation that exist at present. The excess of \$6.5 billion reflects a combination of limited headroom as well as \$11 billion in loans on the Guarantee of Loans (Statutory Authorities) Act for which no limits exist. You see, they found an Act where there was no limit and because there was no limit and because they would not have to come to Parliament to deal with it, they borrowed \$11 billion under the Guarantee of Loans (Statutory Authorities) Act, while not reporting to the country. The sustainability criteria which are now being established, with a debt to GDP ratio of broadly 65 per cent at its maximum, if we use all of this \$50 billion—if we use all of it—we would be setting a maximum debt to GDP ratio of 65 per cent which is the average for all European countries at this point in time [*Desk thumping*] in keeping with international benchmarks.

Now, Mr. Deputy Speaker, it must be emphasized that this Government does not view these increases in the limits as a licence to borrow indiscriminately. We are not like them. This Government intends to conduct a borrowing programme in a highly efficient manner, a transparent manner, managing the country's revenues and expenditures so as to minimize the Government's borrowing for budgetary support and providing government guarantees to state enterprises only for those projects with the maximum potential to reap maximum economic, financial and social benefits for Trinidad and Tobago.

Mr. Deputy Speaker, I think it is necessary for the country to understand what the former administration did. They increased the debt limit by \$32 billion in 2011. They burnt that up almost immediately and rather than coming back to the Parliament and explaining to the Parliament that they have burnt up the \$32 billion increase, you know what they did instead? Rather than coming to this

Parliament, having to explain to the national population what was happening in this country, how they were being fiscally irresponsible, how they were being profligate, how they were being reckless, they did not want to come to this Parliament—you know what they did instead? Rather than coming here to increase the borrowing limits and using the increase in borrowing limits to finance projects, such as the Point Fortin Highway, a prime candidate for long-term borrowing, this is what they did instead. They raided the National Gas Corporation. They took \$1.5 billion in 2013; \$1 billion in 2012; \$4.85 billion in 2014; \$5.3 billion cash. Instead of coming to this Parliament and explaining to the country what was going on, they raided the National Gas Corporation of almost \$14 billion in cash. They went into the NGC's bank account and took out \$14 billion and used it for recurrent expenditure. That was just one thing that they did. [*Crosstalk*]

Mr. Al-Rawi: No procurement.

Hon. C. Imbert: No proper procurement, and that is not all they did. That is not all they did. You would have heard me speak before about the cash balances in the Central Bank. You would have heard me make the point that when the PNM demitted office the cash balances in the Central Bank were of the order of positive \$6.5 billion. This country was in credit to the tune of \$6.5 billion in the Central Bank. You know what they did, they consistently went into the overdraft at the Central Bank, they raided the overdraft. They wiped out that whole \$6.5 billion and then used up the entire \$9 billion overdraft limit—almost, Mr. Deputy Speaker, \$16 billion.

So they took \$14 billion from NGC, they took that in cash, they took \$16 billion in cash from the Central Bank, from our overdraft and then they borrowed \$28 billion—\$58 billion. And rather than coming to this Parliament and telling the Parliament what they were doing, they hid it from the country, they refused to expose themselves to public scrutiny as we are doing today. We are a transparent Government. [*Desk thumping*]

2.45 p.m.

And you know what they have done, Mr. Deputy Speaker? They are so reckless—they are so reckless! When you look at the cash balances in the Central Bank—I have here the cash balances of the 15th of September, 2015, just a week after the general election. Do you know what they have done? We have in the Central Bank—we have deposits. We have a fund called the Green Fund—a Green Fund—which has theoretically \$3.7 billion in deposits in the Central Bank.

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We have an unemployment fund, Government Unemployment Fund—which theoretically has \$8.3 billion in deposits in the Central Bank.

You know what they have done, Mr. Deputy Speaker? They have pledged those funds as collateral against the overdraft and they have borrowed against it, and now those funds are not available to the people of this country. Now we can no longer access the Green Fund. They have mortgaged the Green Fund—mortgaged the Green Fund! They have mortgaged the Unemployment Fund! So \$8.4 billion in the Government Unemployment Fund cannot be touched because they mortgaged it! They mortgaged it! [*Interruption*—consider this in context: \$8.4 billion in the Unemployment Fund; \$3.8 billion in the Green Fund. Add those two together, over \$11 billion.

So that the real overdraft—[*Interruption*]

Mr. Deputy Speaker: Members, please. Each Member will have the opportunity when their time comes.

Hon. C. Imbert: The real overdraft is really of the order of \$20 billion because they have mortgaged the Green Fund and they have mortgaged the Unemployment Fund, which we cannot touch. And they have been running the overdraft at almost close to the limit for one year, and they did not report that to this country. They did not report that to this country! You are talking about almost \$60 billion combined in borrowings, in overdraft, in taking the Unemployment Fund and the Green Fund and mortgaging it against the overdraft. That is how they ran this country.

I have heard the former Prime Minister say that this is a dangerous move. Well, I would like to know, with the debt ceiling almost up to the limit, with the overdraft right up at the limit, with the raiding of the cash balances in NGC—you took out \$60 billion, just so—how were you going to run this country, with the overdraft running at \$8.9 billion when the limit is \$9 billion?

How were you going to run this country with the debt almost at \$30 billion when the limit was \$32 billion? How were you going to do it? How were you going to run this country when you take out all the money from the NGC bank account? You explain to me, Mr. Deputy Speaker, how were they going to run this country? No more ceiling in the debt; no more ceiling in the overdraft; no more money in the NGC kitty—

Mr. Al-Rawi: And frightening people.

Hon. C. Imbert:—and frightening people with this nonsense.

Mr. Al-Rawi: Talking about IMF and all “kinda” foolishness.

Hon. C. Imbert: Mr. Deputy Speaker, before I take my seat, I need to report to this House the recklessness of the former administration. [*Interruption*] I have enough time. Recklessness!

They entered into contracts for a number of projects: Arima Hospital, \$1.5 billion, nearly \$2 billion. We need a hospital in Arima, yes, but do we need a \$2 billion hospital? \$1.85 billion! How much of that is value for money? How much of that \$1.85 billion is value for money?

Mrs. Robinson-Regis: Exactly.

Hon. Member: Like LifeSport, man.

Hon. C. Imbert: Acquisition of a Chinese hull for the coastguard, \$230 million—a fishing vessel.

Mr. Al-Rawi: How was it procured?

Hon. C. Imbert: Yes, how was it procured? Construction of the Point Fortin Hospital, \$1.6 billion; construction of the Couva children’s hospital, \$1.5 billion; naval assets—the Damen vessels—\$1.4 billion. And listen to all of this. These are other projects they hid from this country: Development of Endeavour Business Park, US \$94 million—\$600 million.

Hon. Member: “Wha is dat?”

Hon. C. Imbert: That is a contract they entered into: Transshipment and Dry Dock Project: US \$499 million—43.2 billion! “Dat eh come on de books yet, yuh know.” This is what they have saddled this country with.

Mr. Hinds: “Tie we up.”

Hon. C. Imbert: Development of six new industrial parks, \$151 million, another billion. So a billion for six new industrial parks, \$3.2 billion for a dry dock project, \$600 million for the Endeavour Business Park. That is what I met in the Ministry of Finance: \$1.6 billion for Arima Hospital; \$1.6 billion for Point Fortin. It is only billions! They did not deal in millions, they dealt in billions. If you take those three hospitals together, \$5 billion—\$5 billion!

Mr. Al-Rawi: We are not against hospitals.

Hon. C. Imbert: Who could be against health facilities? But \$5 billion for three hospitals?

Mr. Al-Rawi: And the procurement of it.

Mrs. Robinson-Regis: Exactly. What is the procurement process?

Mr. Al-Rawi: What is the procurement process?

Hon. C. Imbert: No procurement, Mr. Deputy Speaker.

Mrs. Robinson-Regis: No procurement. That is it.

Hon. C. Imbert: Five billion dollars—

Mr. Hinds: That is Kamla's legacy.

Hon. C. Imbert:—\$1.5 billion for vessels. They come here without guns. Not one of those boats, the Chinese boat, the Dutch boats—not one has a weapon on it. Not one of them could be used for military application.

Mr. Al-Rawi: And they cancel the OPVs.

Hon. C. Imbert: Yes. That is the hard part about it. When they cancelled the OPVs they received \$1.3 billion and they cancelled it because one gun on one boat was not firing in automatic mode. Two boats had all of their guns firing in automatic mode and the other boat had all of its guns, except one, firing in automatic mode. The one gun firing in manual mode, they cancelled the project. But now they bring all these boats to Trinidad and Tobago without a single gun on them—not a weapon, no proper procurement. They brought a fisheries vessel from China, no guns, and this administration is now saddled with the responsibility to deal with all of this.

Well, Mr. Deputy Speaker, we are going to deal with it, and that is what we are about here today. [*Desk thumping*] What we are about here today is for the development of Trinidad and Tobago. [*Desk thumping*] No more vanity projects, no more suspicious procurement, no more of these strange sole selective awards, no more projects costing \$2 billion when they should really cost \$1 billion. All of that done! All of that done! And it is incredible. They came to the Parliament and raised the limit by \$32 billion and then raid NGC and raid the Central Bank another \$28 billion. Spent cash! Borrowed to the hilt!

Mr. Deputy Speaker, I think I have educated the population [*Desk thumping*] to the squander mania,—the squander mania—the mismanagement and the profligacy of the last administration and I now beg to move. Mr. Deputy Speaker, I beg to move that the three Motions standing in my name be approved. [*Desk thumping*]

Question proposed.

Mr. Deputy Speaker: Hon. Members, I am to remind this honourable House that leave has been granted for the debate on the three Motions to be taken together. However, the question on each Motion will be put separately to satisfy the procedural requirements.

I recognize the Member for Caroni Central. [*Desk thumping*]

Dr. Bhoendradatt Tewarie (*Caroni Central*): Mr. Deputy Speaker, I—

Mr. Hinds: “I” what?

Dr. B. Tewarie: I was quite—[*Interruption*]

Mr. Deputy Speaker: Members.

Dr. B. Tewarie: I was quite surprised by the fact that the Minister of Finance used this as a theatrical opportunity. [*Desk thumping*]

Mr. Deyalsingh: Tell us about Invaders Bay.

Hon. Member: Cannot handle the truth.

Dr. B. Tewarie: He came—Mr. Deputy Speaker, before I proceed, I intend to use my time—my 45 minutes—and I would crave your indulgence to protect me from the other Members of the House. We gave Mr. Imbert the opportunity to speak. [*Interruption*]

Mr. Deputy Speaker: Members.

Dr. B. Tewarie: So, Mr. Deputy Speaker, we were struck by the theatrics. He came here to make the case for an increase in the borrowing limits, but in doing so he said more about what the last government did and did not do, and he said very little about what they intend to do with all of this \$50 billion that they are asking for in order to spend on items that have not yet been identified. [*Desk thumping*]

Mrs. Robinson-Regis: You did not read the budget documents or what?

Dr. B. Tewarie: There is nothing in the budget document that says anything about the proposal for increase in borrowing limits or for the need for loans in the budget documents. [*Interruption*]

Mr. Deputy Speaker: Member.

Dr. B. Tewarie: And now that you have come here you owe the country and the Parliament an explanation to say that of the \$50 billion, we will spend so and so. [*Desk thumping*] We not comforted in the least by the fact that you indicate

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that a debt to GDP limit of 65 per cent is acceptable to you, or that it conforms to European Union standards. We are not comforted by that fact at all. And, secondly, we are not comforted by the fact that you talk about managing procurement when we have a situation in which the procurement bill that was passed by Parliament has now been sent to a joint select committee, while you come here to ask us to give you a carte blanche for \$50 billion. [*Desk thumping*]

The lecture on the evolution of the various instruments—legal instruments—which allow for borrowings in different quarters was fine. The assessments, though, of how this was used by the last administration and what the consequence is, and how it justifies the borrowings intended by this Government, are not really logical nor are they factual, and that is why I started by talking about theatrics.

For instance, if I might use one example. If you take the Point Fortin Highway, you can build a highway, whether it is Point Fortin or anywhere else, yes, by taking a loan, but if you choose to use the Treasury in order to do it, it is an option that you take. And if you take the option of using the Treasury, what it means is that you have not borrowed that money and therefore it has not racked up the debt of your country. The alternative would have been to carry it in debt and to use the money from the Treasury for other purposes. And those are legitimate choices, but you cannot chastise a government for taking one choice over another, if you have tangible proof of where the money went and what was produced for it. [*Desk thumping*] And the same things can be said about the energy support loans, the same things can be said for the flood alleviation loans, the same thing can be said for the education loans. You can see it in the number of schools. The same thing can be said for the south campus, the children's hospital, and so on.

3.00 p.m.

If you mention that X dollars were spent and they were spent for this and you have a tangible example of what the money was spent for and it is there looking at you, it is not reasonable to claim after that fact, that something has been done that is amiss. [*Desk thumping*]

So, as I said before, the Minister of Finance did not alert us to this strategy of debt development and debt management by his Government when he presented here during the budget. Today, he comes to us, he says he wants \$15 billion for development expenditure, \$20 billion for state companies and \$15 billion for external loans; a total of \$50 billion. And for this side of the House, the relevant

questions are not so much that you have come to ask to increase the borrowing limits, it has been done before on many occasions. We did it in 2011. But the relevant questions are: first of all, why so much money? Why \$50 billion?

If you think that we spent so much money and we did not spend it well, why do you want this big lump sum in advance, at the beginning of your term, without any limits? What do you want it for? You did not identify any of the projects. What does the Government need \$50 billion worth of fiscal space for? The equivalent of a year's budget in borrowings for a period one has to assume is five years, unless they come back again and ask us to increase the amount.

Now, even if in the reply or by other Members, we get reasonable answers for these questions, the question is whether we agree that the ceilings that are being asked for are appropriate. And in our view, the ceilings are excessive because you have to ask the question, not only how much you are going to borrow or how much limit you have, but how are we going to pay for it. What would debt-servicing of such a sizeable debt annually, which will be equivalent of about one-sixth of the budget or one-fifth of the annual budget or one-quarter if the expenditure is reduced, how are we going to service the kind of debt portfolio that you are thinking of, going forward in your administration?

But, clearly there is no intention here of reducing expenditure with this significant increase in the debt ceiling and by the Minister's own admission, that they see 65 per cent debt to GDP ratio as reasonable, we can assume that they are basically going on a strategic set of actions having to do with racking up the national debt in Trinidad and Tobago. Are we going to give the Government a carte blanche for spending? And this is not a frivolous question, it is important because the public needs to know. Because you want to tell the public about all the sins we committed, which you have misinformed the public about by the way that you have organized your narrative, but you do not want to tell the public what you are going to spend the money for.

Now, let me ask the following questions: why so much? What is it going to be spent on? How are we going to pay for it? What are the accompanying elements of the Government's strategy for the country besides racking up the debt and engaging in excessive spending? Why do you need \$50 billion of fiscal space or almost 71 per cent more fiscal space than we now have in the country? Is State spending the Government's strategy for driving the economy over the next five years? This is a very important question.

Because the question is: if the State is going to drive expenditure, if it is going to drive development, then you have a situation in Trinidad and Tobago where the need for private sector growth and public/private partnerships, which are very real in the society, are going to be suppressed. And therefore, the State intervention, which you correctly mentioned as being necessary in the Point Lisas era, is not the same kind of State intervention that you need in our time. And therefore, it is important to understand if the Government's strategy is going to be one of State spending, in order to cause development to happen and in order to stimulate growth in the economy over the next five years.

So I ask the question as a consequence: what is the role of the private sector? What is the role of public/private partnerships? We were very transparent on that in the manifesto. The 10 priority projects that we identified, we said they were all going to be public/private because we knew that there was need for private sector investment and injection of funds from both the local and foreign private sector. And the question that arises here is whether there is going to be any space for the private sector, not to mention the fact that you need private sector investment itself, not just in the energy sector, but in the sectors that are affected by the energy sector, in terms of growth, in terms of recession, in terms of whatever happens to the energy sector, begins to affect the rest. What is the plan for the production side of the economy and the stimulation of growth?

I do not think that this is something that you want from the State sector, I think this is something that you want elsewhere. I think it would be the wrong strategy. We said so in the budget presentation when we responded to the budget. This was articulated by our leader on this side, it was articulated by myself and other speakers here, that what you really need is for the private sector to become involved in the process.

How are you going to create jobs? How are you going to improve productivity? How are you going to trigger growth? How are you going to improve competitiveness? How are you going to stimulate innovation, diversify the economy, pursue sustainable development and make more sectors of the economy, more foreign exchange independent? Because that is a big challenge for us now. The fact that you have to inject foreign exchange into the system over and over again has to do with the fact of the dependence of most of the sectors outside of energy, including manufacturing, on foreign exchange that cannot be supported by the level of exports in which they are now engaged.

Or, are you satisfied to be the Government by review? You are reviewing the children's hospital. You are reviewing the Mitsubishi project which is something

that could have been on its way now with Neal & Massy and the NGC. [*Desk thumping*] You are reviewing the Point Fortin Highway. Are you prepared to be a Government, a standstill Government? You have brought this economy to an economic halt. [*Desk thumping*] The construction sector of all sectors has, in fact, gone into decline in this country, precisely because of that.

Now, we know that this was a rough year with the price of oil, with the price of gas, but we told you not to budget at \$2.75, that \$2.25 was reasonable. We said that \$45 was reasonable. At lunchtime today, it was, I think, just over \$41. These prices are not going to go anywhere upward soon and therefore, we have got to have an entire mindset change for the way that we approach the development of this country. You have brought the economy to a halt in terms of the construction sector. You blame the Government—well, that is something you do every day—and the real issue here now is not so much what is going to happen to the resolutions that you have put before, the Motions that you have put before Parliament today, you know, the real question is: when are you going to get to work? [*Desk thumping*] You said you were red and ready, you were red and ready for the politics, but you are certainly not red and ready for the Government. [*Desk thumping*] If you have a clue of what to do, then you should show us your motion [*Desk thumping*] and spare us the tra la la. What is your economic planning framework, for instance? What is the economic planning framework?

The public servants in every Ministry in this country, they are in one quandary, because they have been handed a manifesto which has a set of concepts and a set of projects in it, which we knew to be incoherent. We saw it and we had written our own manifesto, so we understood what was involved. And the public servants have been handed this manifesto and they have been asked to translate this into policy in their Ministries. My God, I do not know what they are going to be able to do with that, and they know it. They are in a challenging and rather tragic situation. And I want to ask you: what is your economic planning framework?

I want to say that when I left the Ministry of Planning and Sustainable Development, I left in process, a 10-year plan for the country that the public servants were working on. And it is there, I did not take it, I left it, it was Government property [*Desk thumping*] and I want to ask you if you want to draw on the plan, you do not have to take everything, all you have to do is to look at it and build on it, and perhaps then, you could develop an economic framework.

What are the accompanying strategies to support the racking up of debt? You cannot come to the Parliament and say you are coming to ask for a raising of the

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ceiling and when you come here, we do not know any other thing that is happening in terms of the Government, except the history you tried to unfold there in dramatic terms. What is the debt management and debt repayment strategy? We want to know that. How are you going to deal with revenue, expenditure with deficit? And we also told you, you are not going to realize that revenue in the budget, and therefore that is a problem.

The expenditure that you have has not shown any reduction at all in the system, notwithstanding the price of the oil and natural gas and notwithstanding the increase in production and therefore, the whole deficit situation is still at play. It is very difficult to determine what it will actually be. So we need to know against your debt situation, not just how much you are going to borrow and what you are going to borrow it for and how you are going to pay for it, but how does that relate to your budgetary strategy for the country?

3.15 p.m.

How are you going to deal with this thing? What is your fiscal plan for the country? I think this is an important question. You said that you are going to review this matter and come in February—we are willing to give you the benefit of the doubt and that in February you will come with some kind of fiscal strategy for the rest of the country. So we leave that in abeyance. We are not going to knock you for it. But we want to have a sense of what your economic strategy is for the country. It cannot be based simply on the announcement of projects. You need to give us some numbers and some tangibles that the country can make sense of.

Right now, what the Government is saying and doing is indecipherable. You are saying one thing and you are doing another. You are saying that no one will lose their jobs. Thousands have been terminated in three months [*Desk thumping*] and more will go at the end of the year and more will go next year.

You say that you will consult with the unions, tripartite and all of that, yet there is a unilateral wage freeze at NGC. I am not saying whether you should or should not have a wage freeze. And the Minister of Finance has indicated that there is no intention to have a general wage freeze in the state sector. But I do not think that workers are comforted by that. So we wait to see how that will unfold. But there is that uncertainty.

Do you think that proceeding as you are, saying one thing and doing another, that you will not create tensions in the society? How long will it take for the \$15 million investment by the Government in the union to run its course? How long

will that \$15 million inducement guarantee the goodwill that you now enjoy? Take the case of VAT, which is a pending problem that is going to emerge when you begin to address that in January, you want to raise \$6 billion out of VAT.

Dr. Rambachan: \$12 billion.

Mrs. Persad-Bissessar SC: \$12 billion.

Dr. B. Tewarie: \$12 billion? No, it is 12½ per cent, \$6 billion, I think. Yeah. You want to raise this money out of VAT with 12½ reduction of VAT. But the 12½ per cent reduction is really a 12½ per cent add on to most items now zero-rated.

Now, when are you going to implement this? If you do this in January, who is going to pay? Is it not the consumers? Is it not the unemployed and the underemployed? Is it not the working poor and the middle class? Would that not create a problem for business? Would they not be blamed? Would the businesses not come to be blamed for their higher prices? Would that not cause more intention in the society, or will the Government take responsibility in 2016, for raising prices, including food prices? [*Desk thumping*]

Today the Governor of the Central Bank indicated that food inflation will get to double digits. He indicated as well that inflation is going to rise above 5 per cent. A significant portion of this will be VAT-induced, he indicated.

Now, if I am to take that as being reasonable, then these are things we also warned you about in the budget presentation that you made when we responded to it. Several Members on this side raised those issues having to do with the VAT. So tension is one thing, but we may well be seeing on the horizon, a blueprint for chaos. Because what is happening is that the gap between what you are saying and what you are doing and what the result of what you are doing is, that gap is going to find itself in a situation that makes the society very, very uncomfortable.

Now, in the borrowings, you did not say so in Parliament but you said on the outside, outside of Parliament. Some of your Members indicated that you were going to use some of this money for debt repayment. That is to say, the Government owes contractors, et cetera. I doubt that the moneys owed to contractors is anywhere near \$50 billion. So the point is that would be a very small part of it. So I want to ask you, I suspect that some of it might have to do with development projects, and I think we need to be pretty clear about that. I hope you are not going to thrust this money behind a rapid rail project. I hope that what you are saying about mass transit is an attempt to make a transition and I

hope you understand that there are other forms of transport, besides rail, that will be appropriate for this country and that will make a big difference to the quality of life of this country.

But having said that, I want to ask you if you are going to do anything with the funds that we might approve here for anything about Petrotrin for instance, which is now becoming, or which has become, in fact, a systemic risk, not just to the energy sector but to the whole economy in Trinidad and Tobago. This is a close to \$14 billion systemic risk waiting to explode. It is something that was set in motion, I want to say, prior to 2010, but I am not going to go into that, with the GTL fiasco. But the point is that that is something that threatens the economy in a very real way in Trinidad and Tobago today, and it is something, therefore, that has to be addressed. And I want to ask if the borrowings or the attempt to raise the ceiling to borrow money has anything at all to do with this and whether this matter will be addressed, because it is a very important issue.

Whatever plans you have for the future, how are these going to be implemented? I am raising issues here that are very important for you as a Government, because being very important for you as a Government means very important to the country, because the country depends on the Government to govern and to implement and to do and to make things happen.

I want to ask: how are the things that you want to do going to be implemented? Is it going to be implemented through the Ministries? Is it going to be implemented through a special mechanism? How? The reason I ask is because of these advisory boards that you have for energy, for economic development, now given an advisory capacity. What will they really do? How will they support the implementation process? Who will be the implementers? Where? How will this be monitored, so that the money that we are spending, the money that you are spending, the money that the taxpayer is spending, is properly monitored?

And what about procurement? You talked a lot about procurement in our time. What about procurement? We passed a procurement Bill here with no help from you. When we were in Government and you in Opposition, we partially proclaimed it. We set up a committee to fast-track implementation. His Excellency The President, in his speech at the opening of this Eleventh Parliament, indicated his willingness to act in the capacity required of him to expedite the process. Now your Government has sent it to another JSC to consider additional amendments.

You want us, as a responsible Opposition, to give you a carte blanche and open cheque for \$50 billion to spend as you please without a more accountable and transparent process [*Desk thumping*] buttressed by an enlightened procurement law?

Well, I want to give notice to this Parliament and to you, Mr. Deputy Speaker. I want to say that I intend to introduce an amendment to this resolution to this Motion here today, which will in fact address one of the major concerns that I have, one of the major concerns that Members on this side have, and one of the major concerns that citizens of this country have. And that amendment that I will introduce at the end of each of the three resolutions reads as follows:

And be it further resolved that for the sake of protection of the public interest, that no new procurement to be facilitated by borrowings made possible by this resolution be effected until a new more transparent procurement law is fully in effect.

[*Desk thumping*]

You see, because now that this has been sent to the JSC, we do not know when it is going to come out of there. The hon. Minister might have, as he said in Parliament, three months, and we give him the benefit of the doubt, maybe it will be three months and then you will have no problem if this resolution were passed. But if it did not happen in three months, it would create the conditions in which this procurement Bill is tied to this borrowing—[*Interruption*]

Mr. Deputy Speaker: Member for Caroni Central—

Dr. B. Tewarie: Yes.

Mr. Deputy Speaker:—you have 10 more minutes, please.

Dr. B. Tewarie: Sure. Thank you, Mr. Deputy Speaker. And, therefore, I will introduce this at the end of this contribution, Mr. Deputy Speaker. And if you will alert me so that I have enough time to read it and have the resolution seconded, please.

As we go forward, I want to say to the Government, the Minister of Finance, we have many challenges in this country but we have five major immediate challenges, all of which you know very well and all of which must be addressed and they cannot be addressed by borrowing alone, which is why I am raising the challenges.

The first one is the oil and gas price challenge, and that is going to remain so for a long time. The second one is the oil and gas production challenge and that one is solvable if we take the steps that are possible here, and I mentioned those steps, about five of them, in my budget response, last time when I responded to the budget presentation here. The third one is the foreign exchange challenge, which is real and will not go away any time soon and which has to be managed. The fourth is the diversification challenge, which has plagued us from the beginning of independence and continues to be an issue. And the fifth one is the productivity challenge, which seems to be getting worse and we have got to manage that if we are to address the other issues in the society.

The reason I raise these challenges is because you cannot deal with these five challenges by a borrowing and debt-escalation strategy alone. That is why I am raising it. The reason I raise these challenges is because you cannot deal with these by an austerity strategy alone. That is why I am raising it. The reason I am raising it is that you cannot deal with these five challenges simply by taking IMF prescriptions or by surrendering to the IMF. It will not work. [*Desk thumping*] You also cannot do it by raising taxes on business, the middle-class and the working poor. [*Desk thumping*] You cannot address these five challenges like that.

You cannot keep pumping foreign exchange into a buying and selling system and into a foreign exchange-dependent production system and that is why the diversification thing is such a critical factor, and nobody is blaming you with that. We have been trying that since 1962. We have tried various ways. We have made our contribution over the last five years. You have done so in time, but it remains a pressing challenge, given the oil production issue, given the gas production issue, given the price issue with oil and gas.

3.30 p.m.

The other thing that I want to alert you to, is that you cannot deal with these five challenges by a devaluation strategy alone. It requires a complex integrated strategy. I want to alert you that the way that we are going here—debt here one day, dealing with the workers so the other way, VAT the other way, taxes the other way, et cetera—that that is going to get us into a lot of trouble. What we need is an integrated long-term energy strategy for investment, growth and diversification. Something that this Government initiated is going through, and can be accelerated by certain actions that you can take, having to do with Mitsubishi, with Venezuela, with the Energy Fund, with the importation if necessary of gas, a number of things that you can do.

What we need is a non-energy investment and growth strategy complementary to the energy strategy. What we need is to create a structure to separate foreign exchange needs of the manufacturing sector from the needs of the commercial sector, and an incentive scheme to support foreign exchange independence of companies through the export sector. We dealt with this comprehensively in our manifesto. The diversification challenge needs to proceed at both macro and micro levels. You cannot have a macro-level diversification strategy alone. A cluster strategy based on both sector and geography has to be developed. I want to say that these are important considerations for any Government.

Productivity challenges need to be met by mindset transformation, and this needs to take place in the public sector, in the private sector and business organizations and in the unions. It is not just about workers. It is about the mindset of leadership and management. It is about technology and technology intervention and introduction. It is about reward systems. It is about synergistic networks.

Now, the Minister was right, but he changed up the story. Every Government comes because the ceiling that we have, given when these various instruments that he mentioned—External Loans Act, Development Loans Act, et cetera—were done; those ceilings are too small as the society evolves. It is reasonable to come here to ask for the debt ceiling to be raised. There is nothing wrong with that.

What we have a problem with is the amount that is being asked for, and the fact that we have no information on what it is to be spent on. But I want to say together with this strategy for debt financing and for borrowing, we need to begin to look at the question of how to refinance debt, and that is something that you might look at as well. The issue of what currency to borrow in is also an option. The issue of bonds is an option, and there are all kinds of bonds including the possibility of diaspora bonds, which we mentioned in our manifesto for the 2015 election. The debt limit now is \$17 billion. These resolutions call for a 71 per cent increase—*[Interruption]* Two minutes? Okay.

I finally want to say that the borrowing in the state sector, the state sector companies, is the most troublesome, because there is much more flexibility.

Mr. Deputy Speaker: Hon. Member, you have seven minutes.

Dr. B. Tewarie: Seven?

Mr. Deputy Speaker: Seven minutes.

Dr. B. Tewarie: Okay. So the borrowing in the state sector is especially troublesome because there is much more flexibility there. And therefore, the resolution that I wish to add to the existing Motion is something which is especially pointed for that sector, because you cannot watch that sector as you can the sector that is run directly by the Minister of Finance. You cannot watch that sector as you would the normal loans that you would have, whether external or internal, that the Ministry of Finance is responsible for. You have a certain amount of control over that. With the state sector companies, it is very hard sometimes to know exactly what is happening and when it is happening, and how it is happening. Therefore, there is need to watch that very seriously because the largest chunk of the borrowing that is being asked for, is for that particular sector which is \$20 billion.

So, Mr. Deputy Speaker, without further ado, I wish to indicate that I would like added to each of the Motions before the House, Nos. 1, 2 and 3 on the Order Paper of today's date, the following sentences or the following phrase, because it is one sentence:

And be it further resolved that for the sake of protection of the public interest, that no new procurement be facilitated by borrowings made possible by this resolution be effected until a new more transparent procurement law is fully in effect.

Mr. Deputy Speaker, I beg to move that this be added to the Motion, before the Motion is put to the House. Thank you very much. [*Desk thumping*]

Mr. Ganga Singh (*Chaguanas West*): I wish to second that amendment to the Motion.

Question, on amendment, proposed.

Mr. Deputy Speaker: Hon. Members wishing to join the debate can do so now.

The Minister of Housing and Urban Development (Hon. Marlene Mc Donald): [*Desk thumping*] Thank you, Mr. Deputy Speaker. I want to thank you for this opportunity being given this afternoon. From the onset I want to endorse what my colleague, the Acting Prime Minister and Minister of Finance has said here this afternoon in his presentation.

Mr. Deputy Speaker, September 09, 2011, that was the last time we had debated a Motion like this that has come before us today. Let me state that I participated in that debate. I recall the former Minister of Finance, Member for Tunapuna, stating quite clearly that yes, we are extending the limit of borrowing,

but we are not going to use all of those funds. We are not going to do that. I remember we debated that hotly in this Parliament, \$32 billion, and to hear the Minister of Finance my colleague say to us here this afternoon, that of the \$32 billion, \$28 billion had been used up. I am very, very concerned; very concerned.

But I am also more amazed at the statements made by the Member for Caroni Central. Member for Caroni Central, you are telling this House today that the Minister of Finance has failed to explain what he is going to do with the \$50 billion. I am sure that the Minister of Finance said that that is just going to be a cover, or he would not do what you all did by using up all those funds. I will tell you something, I will say something here. I want to go a step further. I would say to you that across the Ministries, all the Ministries, we are trying to clean up the mess, the debt that you all have left behind. [*Desk thumping*] All that you have created, that is what we are trying to do; part of it will go there.

I will also tell you, you now stand there as a paragon of virtue, and you speak about governance principles, Member for Caroni Central—Petrotrin, you said Petrotrin can become a systemic risk to this country. Where were you over the last five years? Where were you over the last five years to deal with Petrotrin? [*Desk thumping*] You all had the opportunity to deal with Petrotrin over the last five years. [*Desk thumping*]

You talk about the issue of refinancing debt. Member for Caroni Central, I want to say that over the last five years, I remember standing in this Parliament, budget debate after budget debate, finance Bill after finance Bill, supplementation of appropriation, one after the other, and I had one mantra, and that mantra was, you need to find an exit strategy to deal with the level of deficit financing that is coming here to this Parliament. Every year for the five years, we had deficit financing in our budget. We had deficits ranging from \$7.3 billion to \$7.7 billion over the seven years, and nowhere along the line—you were part of the Government—did you all ever state: How am I going to address this situation? So you all borrowed and borrowed and borrowed, and this is what we have ended up with. You have completely mortgaged this country away.

Listen to what—and you know it is very sad, and I am feeling so sad this afternoon to hear what the Minister of Finance has to say, and all those other projects that you have committed to, you have committed this country to all those other projects. You Member for Caroni Central, two years ago we locked horns in this Parliament, we locked horns. I sat there. You were sitting here. I asked you: Out of a budget of \$63.7 billion, what is in it for East Port of Spain? You remember that? I will never, ever forget that.

Dr. Tewarie: Forty-seven projects.

Hon. M. Mc Donald: I will never forget that all you could have offered as Minister of Planning and Sustainable Development in that budget was a cable car to swing from Picton Road down to the Priority Bus Route. [*Crosstalk*]

Hon. Members: He never built it.

Hon. M. Mc Donald: Exactly.

Dr. Tewarie: Theatrics again.

Hon. Member: “Greasy pole government.”

Mr. Imbert: “Dais why yuh lost de elections.”

Hon. M. Mc Donald: So, therefore, to stand there to pontificate about what we should do, from what we should not do, is making a mockery of things, Member for Caroni Central; total mockery of things. [*Desk thumping and interruption*] Member for Caroni Central, I never spoke when you were speaking.

Dr. Tewarie: “Dat is true.”

Hon. M. Mc Donald: Please. So just be quiet.

Hon. Member: “He is ah fella like dat.”

Dr. Rambachan: “This is my house.”

Hon. M. Mc Donald: It has nothing to do with my house. This is the people’s House, Member for Tabaquite. [*Desk thumping*]

Dr. Rambachan: “De PNM house.”

Hon. M. Mc Donald: For now. [*Laughter*]

Dr. Rambachan: “Yuh right”, for now.

Hon. M. Mc Donald: Let me state, as I said before, that I am struggling. I am not normally a person who would struggle for words, but after listening to the Minister of Finance, believe me, I would have a sleepless night, tonight. I want to tell you, that it is reality, there is a reality in what the Minister said.

3.45 p.m.

In fact, it is an empty Treasury that we are dealing with. That is our reality. That is this Government’s reality, and so I have to support the Minister of Finance as he seeks to increase the borrowing limit under the Development Loans Act, the External Loans Act and the Guarantee of Loans Act. I have to support him in his quest. But I understand that there are certain Ministries which would drive the economic activities in this country, the Ministry of Housing and Urban

Development is one such. The Minister is correct, he said we need to look at what is happening, and he has virtually made an indirect statement that we are slowing down, we are slowing down the economy. But we did not do that, you know, Member for Caroni Central; you did it, and I want to say that there is a lot of expectation outside there amongst the population of what this Government will be doing.

I said at the Trinidad and Tobago Contractors Association awards function three weeks ago that this Government would continue in a measured way to continue to construct new homes, and even to complete those projects which are incomplete in this country, but when we build those new homes it will be in the areas that we believe are in dire need. For example, I have said it in this Parliament, several times, that the East-West Corridor has the greatest need for homes, the greatest need. Once we have the funds we are going to go in all areas that we see there is a need for construction of homes.

But early in 2016, I will be exploring, Member for Caroni Central, the private/public partnership approach. I will be doing that, and a number of persons have indeed approached me, a number of institutions. I am saying this to say that what had happened is that the private sector had actually stopped constructing homes in this country and the HDC, under the Ministry of Housing and Urban Development, tried to fill that gap, tried to fill that vacuum left by the private sector. You all started in sorts, some sort of dialogue between Republic Bank and the HDC, which, in my opinion, was really not advantageous to the people of Trinidad and Tobago, and I will tell you why. Somewhere in April of this year there was a signed agreement between the HDC and Republic Bank. At the corner of Leotard Road and Carlton Lane in San Fernando there was an agreement that 96 houses or units would be built at a cost of \$150 million.

Town and Country Planning did not give approval for 96 units but they gave it for 84 units, so the sum went down to \$100 million. But when you read the fine lines in that agreement you would see where the bank actually pointed out to HDC that because you all sell at subsidized prices you will not be able to get back the \$100 million by selling at subsidized prices; that is the hundred million plus interest. So they mandated the HDC, so to speak, that you will have to sell on the open market; when you look at the cost of building one of these apartments it was over \$1 million. Now, if you try to sell at subsidized prices of course you will go below \$1 million.

So you would look at, and if you apply the way it is done at the HDC, the 40 per cent subsidy, it will be around \$750,000 to \$800,000. But the bank is saying,

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listen, we are going to hold the entire property as security and whenever it is paid up we then release, which is normal, but in order to do so you cannot sell at the subsidized prices, you have to sell at the open market prices. I will try to negotiate something that will be in the best interest, because asking citizens to buy over \$1 million, your target group is not what you want. Remember section 30 of the Act, it is geared to the lower middle, the lower income and the lower middle income, and that is why I said, and many persons would have been annoyed when I said that the HDC had lost its moorings, its base. And that is why I said, in reducing the income ceiling we had to go back to base. So we will be exploring that public/private partnership approach.

I want to say to you, and I want to share something, Member for Caroni Central, and I want to introduce you to something because you are asking what are we are going to do. I will tell you the dire straits—I can speak to my Ministry—I want to tell you the dire straits that you all left this Ministry in, particularly the agency called HDC. I want to introduce you to the HDC site at the entrance of Diego Martin called Victoria Keys. Now, Victoria Keys comprises three eight-storey buildings, each housing 88 units. So, 88 by three, 264 units. Construction works on all the three buildings were completed in 2010. This actually was started under the former Minister of Housing; it would have been the Prime Minister now, the Member for Diego Martin West. It was completed in 2010. All that was left to be done was the external works.

The cost then, the whole—all three buildings, all 264 units, the cost was \$298,944,491. All right? On the assumption of the UNC administration, somewhere in 2011, that was when they increased the borrowing limit, the \$32 billion—I now see, you know, something clicked there this afternoon because all this took place from 2011 coming down the road. So there is a synergy between what transpired here at the Ministry and what the Minister of Finance said, because this was 2011 and this debate was 2011, with the increase in those borrowing limits. Without completing the external works, let me tell you what you all sought to do; you all sought to reconfigure the Victoria Keys apartments. Some three bedrooms were turned into two bedrooms, some two bedrooms were turned into one bedroom; when they were completed there were tiles on all the floors in the 264 units, all those tiles were dug up. No one lived in there you know; all the tiles were removed and replaced by hardwood floors. All the tiles in the bathroom are now porcelain tiles. All the kitchen cupboard—beautiful. I want to tell you, as my Prime Minister said when I took him there, it is one of the finest HDC sites in the country. *[Interruption]* I will tell you, I am continuing.

Now, what has happened—no one living there when all these things were done, I am talking about the inside of the building—the entire, every unit, 264 units, every one air-conditioned; this cost to the taxpayers was \$140,588,993, therefore bringing the total cost, when you add what PNM had done, the \$298 million, and you add it to the \$140 million, it brought your total cost now to \$439,533,484.

But, you know what, this does not include the external cost, and the external cost would be, I would have thought, just paving, you know, the compounds so people could park and what-not, but what happened—and I am quoting—“to provide a quality living experience”, a determination was made to do the following, and this is what was done to the building: you had the installation of automatic sprinkler systems; you had the installation of garbage chutes in each apartment; the installation of centralized air-conditioned units for common areas of the buildings; you had two four-storey car parks built, and let me tell you, with elevators. So as you drive up you have elevators to bring you back down, and if you park on the fourth floor you will have the elevator to take you up.

There are two of them, one on the western side of the compound and one on the eastern side. There is a swimming pool and the swimming pool sits on the roof of the eastern side of the car park. So you have the four-storey car park and sitting at the top there is the swimming pool.

My Prime Minister nearly collapsed when I took him there. There is also a clubhouse there. There is also a tennis court. There is also a gym. There is also a sauna-cum-spa. The cost of these external works is in the sum of—and it is a moving target—is in the sum of, to date, \$170 million for the external works, giving us a total now, when you add it back to your \$439 million, giving us a total of \$609,533,484.

So, in other words, from 2010, when the buildings were completed, to 2015, with no one taking up occupancy of these units, this Government, Mr. Caroni Central, this Government added \$310,588,993. And I would tell you something, Member for Caroni Central, the work is not completed as yet on the external works, the figure is still increasing. That is why we want the money. That is why we have to [*Desk thumping*] ask for that increase—that is why.

Mr. Deputy Speaker, we also have a number of incomplete projects. One would have thought in 2010 when this Government came in they would have completed projects which were left behind when we demitted office, but instead they went ahead and built new projects, billion-dollar projects. I will tell you—

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and I am not going to call any contractor's name here—there is, I call it, a city within a city; it is in Cypress Gardens in Union Hall, 1,204 units costing \$1.4 billion.

Then we go to Chaguanas, to an estate there called the Oasis—*[Interruption]* Oh, we can provide all the papers, Member for Siparia. We can provide everything. Everything could be provided. Oasis: in Oasis, something like about just under 1,000 units, this is costing you \$1.3 billion. I take you to Trestrail, because certain decisions, tough decisions would have to be taken; Trestrail package, Trestrail development is in two packages: one package is \$916 million plus VAT for 724 houses, and then the second package for 480 units at a cost of \$516 million, giving you a total, when you add and you add the VAT, \$1.6 billion.

4.00 p.m.

I take you to Indian Trail, former Prime Minister, that is just behind—*[Interruption]*—that is \$1.6 billion; I will provide all the documents. I take you to Indian Trail, to the back of Preysal, the Children's Hospital—beautiful land in the back there, undulating, lovely. HDC bought it from the farmers. *[Interruption]* That is right. I can tell you, the letter of award was signed. I am not calling any contractor's name, but the commitment is to build, I believe, 984 units. When you put on the VAT and whatnot, it will cost us about \$1.4 billion.

Mr. Imbert: What?

Hon. M. Mc Donald: You know, I am speaking here and, Member for Caroni Central, I am under labour at this point. I am under labour. *[Crosstalk and laughter]*

Hon. Member: Do not deliver.

Hon. M. Mc Donald: Not now, the Member for Caroni East is not here. *[Desk thumping and laughter]*

Hon. Member: You have the Member for Fyzabad!

Hon. M. Mc Donald: I am accustomed to the Member for Caroni East. *[Crosstalk]*

Mr. Deputy Speaker: Let us get back to the business of the day, please. *[Interruption]*

Hon. M. Mc Donald: I certainly will pass on the information to my colleague. But I want to say that there were, indeed, incomplete projects left by the last Government. Vieux Fort, which is an HDC site in Port of Spain South, that

is up George Cabral Street—132 units there when we demitted office. Up to March 2016—Minister, we will need \$55 million to take us to March.

The Edinburgh towers, which we intend to complete, we will need \$180 million. Real Spring in Valsayn, 408 units, it will cost at least \$65 million. Malick, out in the constituency of Laventille East/Morvant, 34 units up there; up to March next year we need \$19.4 million for the contractors. In Fairfield, that is down Princes Town way, 70 more units to be constructed. We need \$80 million more to complete, but at the same time we have not paid contractors from April of this year. As a matter of fact, I have two letters on my desk from the contractor there who, if we do not pay by December 11th, will be taking us to court. We owe him, Minister of Finance, \$101 million.

Mr. Imbert: Since April?

Hon. M. Mc Donald: Yes, I have all the documents. We have Oasis. We need \$226 million to complete Oasis in Chaguanas.

Mr. Imbert: How much, how much?

Hon. M. Mc Donald: Minister, \$226 million. For Eden Gardens in Central, we need \$210 million. For Carlsen Field, we need \$60 million. For Cypress Gardens, which is incomplete, we need \$370 million to complete. For Buen Intento, we need \$48 million by March. Hubertstown in Guapo, we need \$20 million. La Fortune in Point Fortin, we need \$11 million. [*Crosstalk*]

Mr. Deputy Speaker, we will require for these works on the various sites, \$2 billion, and I did not put in exactly—

Mr. Imbert: Another \$5 billion.

Hon. M. Mc Donald: At the end of it I will tell you what I see how much money that the Ministry of Housing and Urban Development needs at this point.

In addition, the records reveal as at November 30, 2016, outstanding amounts for contractors are in the sum of \$394,585,036. On the recurrent expenditure side, we need to get \$12,020,931, and this is broken down as follows: for security services, which we have not paid over the last four months, \$1,374,000; estate management, \$5 million; construction management, \$1.3 million; project management and oversight, \$2.6 million; Legal Department, \$50,775, and when you add VAT of \$1.5 million, it is a total of \$12,020,931.

Mr. Deputy Speaker, I am not finished; I am not finished. I am going to go now to the loans outstanding.

Mr. Imbert: Loans too?

Hon. M. Mc Donald: I talk about our development projects; I talk about the recurrent expenditure, I now go to the loans on the books.

At FCB, there is a loan balance there of \$408,707,813. By January 2016, we need for the principal payment, I need to get \$41,980,568. For the interest due by January 2016, on this sum, I need \$7,729,119. For another loan at FCB \$2,000,581,000. [*Crosstalk*] A third one, Ansa Merchant Bank, \$1.5 billion.

Mrs. Robinson-Regis: The Member for Tabaquite is asking when the loans were taken—all under you.

Hon. M. Mc Donald: Giving us a total balance—how much are we owing in loans?—\$4.4 billion for the HDC.

Mr. Imbert: The other \$5 billion too.

Hon. M. Mc Donald: That is right.

Mr. Imbert: \$9.5 billion.

Hon. M. Mc Donald: I am saying to you this afternoon, Mr. Deputy Speaker, we need at least—because I will tell you what, each month, especially with the contractors, I gave you figures as at November 30; this is December so the figures will be going up. I am looking at about \$10 billion that the HDC will need to set us right. [*Crosstalk*]

Mr. Deputy Speaker, this does not involve any new projects by this Government. [*Crosstalk*] No new projects. This is just HDC; I have not even factored in UDeCOTT as yet. I am saying that on our part it is \$10 billion, and no new projects. We are looking at projects in Cleaver Heights, La Seiva, Maraval, Chaguaramas, St. Augustine, Maloney, Canada Apartments. [*Interruption*]

Mr. Deputy Speaker: Madam Minister, you have expired your time. Do you wish to continue?

Hon. M. Mc Donald: Sir, I will just take two more minutes to wrap up.

Mr. Deputy Speaker: You have the extension.

Mr. Imbert: You have 10 more minutes.

Hon. M. Mc Donald: What I want to say, Mr. Deputy Speaker, is that I have only addressed one agency in that Ministry. One agency, and that is the one I want to highlight. With respect to UDeCOTT, UDeCOTT is really a project manager

and, therefore, Ministries will be owing UDeCOTT a lot of money. So I believe that UDeCOTT can take care of itself. But in terms of HDC, it is the driver, it is an economic driver in this country. If 100 persons come to my office, 95 want houses, and that would go for all the MPs in this room. [*Desk thumping*] But I hope the public is listening, because we are hamstrung at this point. Unlike in 2010, when we left 10,000 houses, so they could have given out, in this rounds if I could find 500, I have found a lot—I would have found a lot.

So, Mr. Deputy Speaker, I want to support my colleague; I want to support the Acting Prime Minister. [*Desk thumping*] I think I have made out a good case why we would need—and this is one agency in one Ministry—one. I am sure as other Ministers make their contributions, you would understand. I would like to find out, how was this Government going to fund all these multibillion-dollar contracts?

Mr. Imbert: Without increasing the limit.

Hon. M. Mc Donald: How were you going to do it? And the contractors are calling, they are asking questions, they want to see me. But how do we deal with this?

Mr. Imbert: Irresponsible!

Hon. M. Mc Donald: I do not know how my colleague, the Minister of Finance, sleeps in the night, because I do not sleep easily. I am a results-oriented person; I am a go-getter. If I am going to do something, I get it done, but my hands are tied. We have no money—absolutely none.

Yesterday the new board took their rightful place as the new board of the HDC, and I was able to brief them on the state of finances. I could tell you, Mr. Deputy Speaker, I am sure they are looking on and I am sure they are hoping that we should get some relief. [*Interruption*] That is right; that is what I want to say, that this board we have sworn in, I can tell you they are engineers, they are business people, they are lawyers. I could you they will cut out the wanton wastage, the squandermania, the corruption, and that is how they are going to manage the HDC. We will see results. [*Desk thumping*]

I thank you, Mr. Deputy Speaker.

Dr. Surujrattan Rambachan (Tabaquite): Thank you very much, Mr. Deputy Speaker. Let me first take the opportunity to congratulate my colleague, the Member for Caroni Central for a most splendid contribution, a contribution of depth and a contribution of tremendous value in terms of his suggestions. He

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demonstrated that in Opposition we are a government in waiting, because we have the ideas, we have the capacity and we have the talent, [*Desk thumping*] on the road back to government, to make this country a prosperous country once more.

Mr. Deputy Speaker, we are seeing on the other side this afternoon what we expected. My colleague, the Member for Caroni Central, described it as theatrics. I want to say that I am going to peg my contribution on just two words: tomorrow's burden, because what is happening here and what is being presented by the Member of Parliament for Diego Martin North/East, the Acting Prime Minister and Minister of Finance, is really what we have to deal very seriously with tomorrow's burden, because \$50 billion is about tomorrow's burden.

The citizens of this country are the ones who are going to be called upon to pay those debts. Therefore, when my colleague, the Member for Caroni Central, asked for more transparency in terms of how this money is going to be used, but more particularly how this money is going to be repaid, I think it is even more important that you take note of what I am saying. [*Crosstalk*]

Mr. Deputy Speaker: Members, let the Member for Tabaquite speak in silence, please.

Dr. S. Rambachan: It is about tomorrow's burden. But I want to deal with a couple of issues raised by the hon. Minister of Finance, who seems to be thoroughly enjoying his role as Acting Prime Minister. I wonder if he actually arranged to send the sitting Prime Minister out of the country today to Grenada, so that he could take over the show once more. But he is doing a good job; he is enjoying himself. [*Laughter*]

Mr. Imbert: I send him out of the country? [*Crosstalk*]

Dr. S. Rambachan: We really see where the real power lies in the country, and the person whom the real power lies in. We are about to see, probably, an absentee Prime Minister, and the real Prime Minister, the man who is behind the scenes.

Mr. Imbert: That is UNC style, not PNM.

4.15 p.m.

Dr. S. Rambachan: Mr. Deputy Speaker, the Member for Diego Martin North/East I think was rather misleading in terms of what he said, several things of what he said, and one wonders whether he had the right information and ignored it or whether he just does not know what the facts are or whether he is

still on the learning curve on his job. But I think that even if you are on the learning curve, I would expect that the public servants would guide you, guide you in a manner in which you would not come into the House and mislead the country about the things you are saying. Because it is a very serious matter to present figures and to make statements that would create an impression in the minds of the population very different to what the reality is. But we know the Member for Diego Martin North/East very well. We know his theatrics, so we know what the reasonable assumption is. He seems to have misled us about the overdraft, and it seems also he overstated other numbers.

This former Minister of Finance and the Economy—I am told by the former Minister of Finance and the Economy that he advised the new Minister of Finance in detail on the inflows that were to be expected before the end of the last fiscal year. And this afternoon I want to ask the hon. Minister of Finance whether they collected approximately \$12 billion that was due before the end of the last fiscal year or at least coming into the new fiscal year which included \$4 billion from TGU, \$1.5 billion from the Phoenix Park IPO which is now being heralded by Mr. Gerry Brooks and taxes in the sum of approximately \$6 billion? And whether in collecting that, that would not have reduced the overdraft and provide some kind of fiscal space for them to operate. [*Desk thumping*] And I think that is something that I have to ask.

Why is it that you have not told the country whether you got the \$1.5 billion? Whether you got the US \$6 million from TGU and the \$1.5 billion from the IPO?—US \$600 million. [*Crosstalk*] Well, is it because, hon. Member, you went back and retendered the \$600 million loan—you retendered it when in fact it was due and had to commit. And that is something you have to say to the population. So whether you got that \$12 billion and whether it was used to reduce the overdraft so that you could continue to operate is something you need to tell us.

If it is that the PNM Government failed to collect these inflows, then it was your doing that caused the overdraft to continue to be as high as you had it. [*Desk thumping*] So it is your mismanagement. It is your mismanagement and not our mismanagement because we had made provisions to ensure that these inflows would have come in and taken care of the high overdraft.

You also said, hon. Member for Diego Martin North/East that we had committed to six industrial parks and the dry-dock facility, a total of \$4 billion. I want to say that this is untrue. Cabinet approved the projects, but we did not proceed with them because they could not be accommodated under the existing debt limits. [*Desk thumping*] And talking about debt limits, although the debt

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limits under the guarantee of loans was \$25 billion, loans Act \$30 billion and external loans \$15 billion, you still had about \$3.2 billion of fiscal space in those three Acts, about \$3.2 billion of fiscal space. I want to ask, why is it that during the last three months you did not seek to get that \$3.2 billion in order to carry on the construction sector and to carry on the affairs of the economy of the country so that the economy is not grinding to a standstill and the halt that it has grounded to at the moment? Where people are going home. [*Desk thumping*] Where contractors are sending people home. For example, a contractor in south Trinidad has sent home 200 persons, another 100 in three days, another one has sent home 170 from the highway, and people are going home. Where are these people going to get money to live? And where are they going to get milk to put in the bottles of their babies? [*Desk thumping*] Where are they going to get milk to put in the bottles of their babies? Where are they going to do it?

We are not arguing about borrowing or not borrowing, but I am talking about the existing situation now where you had some fiscal space almost of \$3 billion, but you did not use it [*Desk thumping*] in order to continue the economy and to keep people employed and keep people fed, and the projects would have continued. There is a high cost, Mr. Attorney General, a high cost to stopping a project and then restarting it. And if you do that with the highway, as you are doing now, bringing it down to about 30 per cent of where it was, you are going to find that the start-up costs back on the highway are going to be extremely high and then you are going to come back here [*Desk thumping*] and say we mismanaged the highway, when you would have been the ones who mismanaged the highway. [*Desk thumping*] You would have been the ones who mismanaged the highway project.

Mr. Al-Rawi: Will you give way?

Dr. S. Rambachan: Mr. Deputy Speaker, my hon. colleague, Member for Diego Martin North/East, must know what I am speaking about. Because he does not, he must admit that he is talking and making decisions without understanding basic facts that are available to him in the Ministry of Finance. And I hope that, you know, the public servants who are describing our hon. Member for Diego Martin North/East and Minister of Finance as clueless are not doing so behind his back, but they are actually telling him. I hope he is not really clueless, but he does seem to be that way at the moment.

Mr. Deputy Speaker, he also stated that we pledged the Green Fund and the URP Fund. I would like to ask the Member for Diego Martin North/East to produce the documents that said we pledged the Green Fund and pledged the URP

Fund. [*Desk thumping*] Where are the documents? This is a very serious implication. It is very serious for someone to get up in this House and say we did something and cannot provide the documentary evidence that we could do that.

Mr. Imbert: I will circulate it.

Dr. S. Rambachan: Mr. Deputy Speaker, at this moment it is misleading. No pledging. I am advised by the former Minister of Finance and the Economy that no pledging took place of any funds. [*Desk thumping*] No pledging took place. Right? I would like to see the documents. Just like I am waiting to see documents when we had the debate on the budget—on the finance committee. Still waiting.

Mr. Deputy Speaker, the other point he made had to do with the computation of the overdraft. The computation of the overdraft, Minister of Finance and Member for Diego Martin North/East, is the same as was used by the PNM. All the credit balances, including the Green Fund and the URP balances, all the credit balances are offset against the debit balances and remainder is what is used to compute the overdraft by the Central Bank. You also did that. [*Desk thumping*] You also did that. And if today in this House you are using the description about pledging, then the PNM also pledged the funds because there was a \$16 billion overdraft in the Exchequer Account when we came into office. [*Desk thumping*] A 16-billion-dollar overdraft in the Exchequer Account. So let us be factual on both sides.

Mr. Deputy Speaker, this overdraft was offset by the balances in the Green Fund and the URP and other funds held by the Central Bank. We committed—we continued to use funds from the Green Fund, and the Minister of Finance can continue to use it based on how the figures are computed. So, he can continue to use from the Green Fund.

The loan listing that the hon. Minister gave also includes loans that have not been drawn down or fully drawn down in some cases and that is why his figures are sounding so much higher. And I think what he was doing is trying to confuse the mind of the population and to continue this brutish assault that he has upon this Government in his theatrical fashion, by exaggerating the figures so that he can hide the fact that he has no plausible explanation for the ridiculous increases that they are seeking here today in the sum of \$50 billion.

For example, the loans for the hospitals in Point Fortin and Arima have not been drawn. But, you know, there is something interesting he said. He said we have \$5 billion for hospitals and that is too much. You know, I wonder if that is the value that the PNM Government places upon the lives of people? [*Desk*

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thumping] I wonder. I wonder if the politicking, by saying that you are cutting down Christmas expenses, is really meant to hide what is the Scrooge-like culture against poor people. [*Desk thumping*]

Mr. Deputy Speaker, just as an aside, you know how much children are crying today, crying and thinking about that they have no toys to get this Christmas from the former Prime Minister of this country and no treats to get. [*Desk thumping*] I wonder if they are really going to do like we did when we were in Government, find the poor people in this country and put a smile on their faces by making sure they have a nice Christmas hamper, at least 4,000 of them all across the country. [*Desk thumping*] I really wonder. If that was a misuse of money, then so be it. But, you know, Christmas is a time when you place a smile on people's face, when you ensure that everyone is happy because Christmas is a time to make people joyous and happy. And I wonder if they have it in their hearts to do that to people.

Mr. Deputy Speaker, let me also say to the Minister of Finance [*Crosstalk*] that we did not proceed with the financing of the unmanned aerial vehicles or the helicopters. So his figures will sound higher. So he told part of the truth, but he did not tell the full truth. He did not tell the full story, and that is dangerous. [*Desk thumping*] When you seek to deceive in order to tell an untruth about others, that is a great sin you commit. A great sin. [*Desk thumping*]

Mr. Deputy Speaker, the *Review of the Economy* shows that the debt figure in 2009 was \$45 billion. Yes. And it increased to \$76 billion in 2015. That is an increase of \$31 billion. Granted. And he said we borrowed \$32 billion— [*Interruption*—\$28 billion. Good. Did he say how much of that \$31 billion or \$28 billion went to pay Clico? [*Crosstalk*]

Hon. Member: Yes. He did.

Dr. S. Rambachan: Okay. Did he say how much of that went to pay for the campus plaza that was committed by them? Because I added your figures, I got \$5 million. Right? So let us take your \$11 billion and let us take \$5 billion. That is \$16 billion; \$16 billion. [*Crosstalk*] And if we are to pay contractors, I would only put \$2 billion, \$2.5 billion, for contractors—that is \$18.5 billion. You are telling me that what we have was about \$12 billion in five years which we used to develop this country. [*Desk thumping*] Twelve billion dollars. Clico sucked up that amount. The campus plaza continued to suck up that. But I am not going to talk about wastage and corruption and mismanagement in terms of the campus plaza and all those projects. I am not going to talk about that at all. The country

has had enough of that. The country knows who is responsible for that. Those are projects that were overestimated and those projects cost this country much more money than it should have cost this country. We inherited it. We did what we had to do because as a Government we were responsible. [*Desk thumping*]

So, we had about \$12 billion to develop the country in the five-year period. And I stand proud as part of a People's Partnership Government, like my hon. colleague from Caroni Central said, that the projects are standing in your face and you can see them across the country and you can see what the \$12 billion went to. [*Desk thumping*]

Mr. Deputy Speaker, the issue therefore goes beyond what he spoke about. You are moving the limit from \$70 billion to \$120 billion. And I want to repeat something. He says that they estimate they will go to about 69.5 per cent of the GDP.

Mrs. Persad-Bissessar SC: He said 65.

Dr. S. Rambachan: Sixty five per cent of the GDP. We calculated it to be about 71 per cent.

Dr. Tewarie: Seventy three per cent if you take—[*Interruption*]

Dr. S. Rambachan: Right. Seventy three per cent of the GDP. Mr. Deputy Speaker, granted that there is a need for the Government to borrow, granted that there is a need, granted you have to keep the economy going, granted that you have to pay people and so on, but a 71 per cent increase in borrowing is a serious national commitment. And this represents what can be described, as earlier said, as tomorrow's burden. It is tomorrow's burden because it is a debt being proposed at a time when our ability to raise revenue and more so, sustainable revenue, a stream of revenue in the future is under severe pressure.

Today, I understand that OPEC decided they are not going to cut production. The price of oil dipped below \$40 two days ago to \$39.56. It is back up a bit, but the prices are very volatile and seem to be on the downside.

Mr. Deputy Speaker, in that context we have to look very carefully about our ability to repay in the future. And if you look at the contribution—[*Interruption*]

Mr. Deputy Speaker: Hon. Member, I need to interrupt you at this time.

Hon. Members, I now suspend the sitting at this time for 30 minutes for tea. The House will resume at 5.00 p.m.

4.30 p.m.: *Sitting suspended.*

5.00 p.m.: *Sitting resumed.*

Mr. Deputy Speaker: Hon. Members, we shall resume. I recognize the Member for Tabaquite. You have 27 more minutes.

Dr. S. Rambachan: [*Desk thumping*] Mr. Deputy Speaker, is that of original speaking time or total?

Mr. Deputy Speaker: Total.

Dr. S. Rambachan: Total, thank you. Thank you, Sir. When I stopped just before tea time I was saying that our ability to repay these debts that we are going to incur will be of tremendous significance and importance to the citizens. Because, the burden that we are creating, tomorrow's burden by way of this debt, is being done at a time or proposed at a time when our ability to raise revenue, and more so sustainable revenue streams into the future, is under severe pressure.

Mr. Deputy Speaker, I also mentioned that energy prices are volatile and at this time are on the downside, and I will give the example of OPEC. And not only here in Trinidad and Tobago we are seeing the problems associated with not being able to meet your debt—Trinidad and Tobago has not gotten that far as yet—but right next door we have several Caribbean countries, including Jamaica, that was in deep trouble, and now Puerto Rico that is in very, very deep trouble with respect to its ability to meet its debt, and now they are looking for a bailout from the United States of America, and the kinds of things that they are doing and have to sell, even seems like the citizens have to sell their kitchen appliances in order to help pay the debt in Puerto Rico, and this is very serious.

I want to make the point, therefore, that this burden requires information from the Government to the citizens, if in fact the citizens are to make a commitment, because this is not just about the Parliament. This decision that we are making here today is not just about a parliamentary debate. We are representatives of the people. [*Desk thumping*] But the people must have a voice in what is being said here, and if you look at today's newspapers, the *Trinidad Express* on page 19, business heads are saying, "Not yet, Mr. Imbert". Not yet, Mr. Minister of Finance. And Richie Sookhai, for example, President of Chaguanas Chamber of Industry and Commerce said:

“We fully support Government's position in terms of developing various areas of the economy. At this time however, we are of the opinion that an increase in the debt threshold, an increase in the borrowing which is \$50 billion, may not be in the best interest of our economy at this time.”—and—

“Our concern is due to low energy prices that we are facing and because of this we are worried of how exactly they intend to service this extra incurred debt.”

Also, Daphne Bartlett, President of the San Fernando Business Association, she said she did not support the Government’s decision to increase its borrowing capacity.

“Bartlett said the People’s National Movement (PNM) should not be borrowing such a large amount of money within its first three months in office...

‘Borrowing such a large amount as soon as they come into office is a little bit apprehensive for me, I am afraid because when you borrow money you have to pay back money, so you indebting the country.’

Bartlett said taxpayers required more details on the purpose of the loan.”

Do not knock Mrs. Bartlett, she is saying what every citizen is saying [*Desk thumping*] that we want more information. [*Interruption*] We want more information.

Mr. Deyalsingh: What is Indera Sagewan saying?

Dr. S. Rambachan: Indera Sagewan-Alli is saying that you need to be open and transparent, you need to tell the country what you are borrowing the money for, and I think she has been very forthright with Dr. Ronald Ramkissoon in yesterday’s very article you are referring to, said that you cannot borrow long-term money to finance your short-term debt.

And one of the questions I have for the hon. Minister of Finance is this, is it that he is borrowing money to finance recurrent expenditure because he is now sure that he cannot meet the \$21 billion gap between his projected revenues and his projected expenditure? [*Desk thumping*] And if he is doing that, then, if you are borrowing money long-term you invest it in assets that are productive assets, so that you can have a stream of revenue to pay back the loan. But, if you are borrowing the money to pay recurrent expenditure then where are you going to get the returns from that investment in order to pay off those loans? So, Dr. Ronald Ramkissoon was warning against that and I do believe Mrs. Sagewan-Alli was also warning against that.

Hon. Member: You believe?

Dr. S. Rambachan: The point I want to make is about the stream of debts and how you are going to finance it. You know, energy prices are down and look at what is happening. In the *Review of the Economy 2015*, Appendix IV, page 70, the petroleum industry in 2013—let us go at 2012, contributed \$68.4 billion to the GDP; in 2013 \$65.3 billion; in 2014, \$65 billion; and this year it is projected to contribute only \$53 billion to the GDP; \$12 billion difference between the two years. Whereas in the non-petroleum sector in 2012 it was \$95.6 billion; 2013, \$103.7 billion going up; 2014, \$108.8 billion; and 2015 it is projected to be \$111.4 billion.

Now, the non-petroleum industry was growing in terms of its contribution to GDP. But, when you have a serious decline in the energy sector you have effects upon all the other service sectors, so that you are going to find eventually, you are going to have difficulty in the non-petroleum sector, especially in services where you might have a decline in terms of its contribution to GDP. So we are in a very serious situation and therefore we are not arguing that you should not borrow money, you know, we are arguing as to how and where you are going to use this money, but use it in a way that you have revenue streams in order to repay back the money, and we are not seeing that coming from the Government. If you are talking about vanity project like a rapid rail project, you are talking about years down the road, and that is a highly subsidized project also, and something that we have to talk about.

Mr. Deputy Speaker, the important point here is our ability to repay. You know, when an ordinary citizen or a corporate entity, a company, goes out and borrows money, then he is expected to meet his repayments. But when he cannot meet the repayments and when the ordinary citizens cannot meet that mortgage payment then the bank steps in and initiates proceedings to foreclose, and you do not escape foreclosure. But in case of a country it is not about one citizen, it is about 1.3 million citizens upon whom foreclosure would come [*Desk thumping*] and it would come from the IMF and then the entire citizenry suffers foreclosure.

Mr. Deputy Speaker, this proposed borrowing, I say again is about tomorrow's burden to our citizens. Today with a debt of \$76.5 billion, every household—and I am using the CSO figures for 2011 as to the number of households in Trinidad, 401,302 households is the statistics given. By the way, if you talk about improving this country, talk about getting CSO people to be at their desks so when you call you are not told every day, well he is not at his desk so I cannot give you an update on these figures. Let us talk about productivity and increasing productivity if we are to beat some of those problems that we are

having. Let us talk about the fact that we begin to manage the Ministries to make sure people come to work on time and do not walk out 2.00 o'clock on their job and gone, so you cannot find them on the job and what have you.

Mr. Deputy Speaker, if you use \$76.5 billion and 401,000 households, you will find right now that every household is indebted to the tune of \$190,000. And if you go up by \$50 billion to \$120 billion, every household will be indebted to the tune of \$300,000. Now, I want to go further, if you take the average monthly salary of a labourer in a local government corporation which is just about under \$6,000, and you divide \$300,000 by \$6,000 you get 50 months; four and a half years you have to take the man's full salary every month for his household to support that kind of indebtedness. That is the kind of burden that you are placing on the citizens. And when a Government cannot repay debts through the normal stream of revenues we are getting, petroleum and non-petroleum, company taxes, normal personal taxes and what have you, then what do Governments do? Governments then go and they try to raise more taxes, more personal taxes, more corporate taxes, and with that what do companies do? Companies then cut back in terms of their employment levels, they cut back in services, and the Government then goes and cut back services at public institutions, and like they are already signalling, wage and salary freeze is coming in the country.

The Government still has to answer whether as part of its adjustment strategy, because that is what they are really into now, adjustment strategy, whether as part of their adjustment strategy they have initiated without consultation with the trade union movement whom they say they respected and they love so much and so on, and with whom they had such brotherhood and sisterhood, whether in fact they have really started an unsaid policy, an unwritten policy of wage and salary freeze in the country. And they have shied away from answering that. But they choose to do it at NGC, because they felt that they could have escape and have reason to say, well, we will do it at NGC. But, is this across the board? Because already we are hearing about no bonuses to be paid in several other agencies and what have you.

But the Government must say something else. A wage freeze in a country cannot go by itself, so it is the intention of the Government also to have price controls in the country? Are they going to have price controls in the country? Because part of what can happen in this country is inflation, and the ability of people to buy goods and services. You know, in this regard one must ask: is this what the Government is doing? Can it be described as a structural adjustment being masked? [*Desk thumping*] Is this a masked structural adjustment that is

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taking place? I really, really have to ask that. Is this a masked structural adjustment that is taking place? And the Government must come clean, they must come clean to the population on this matter.

You see, I am belabouring the point, but the citizens who must bear this debt burden in the future must be told what will be his or her burden out of his or her pocket? I want to ask a question for example, would the ability of the Government to service this additional \$50 billion of debt in view of the lack of the kind of revenues of the past, would it mean further cut backs like a cut back in the GATE programme? Would it mean that? Would it mean a cut back in terms of the subsidized housing under HDC? I heard the hon. Member for Port of Spain South speaking about, what heights it is?

Mr. Singh: Victoria.

Dr. S. Rambachan: Victoria Keys, and talking about the apartments that were built there and so on. Fine. So, the apartments have been built, you cannot turn back the clock, you cannot go and break down the apartments, treat it as an asset. Change the paradigm of your thinking. And if you have 264 apartments there, and like we are told in the newspaper that the—how you call the ones at the very top?

Hon. Member: Penthouse.

Dr. S. Rambachan: Penthouse has been valued at—I do not live in those things so I do not know these names—\$5 million. So, if you treat the average price of an apartment at market value, given what you have of other similar types of apartment buildings in Port of Spain, like One Woodbrook Place and what have you, of an average of \$3 million, just \$3 million, you have approximately \$800 million to a billion dollars in asset there that you can use. [*Desk thumping*]

Sell it! Sell it and go out and build houses for the poor people in Trinidad and Tobago. [*Desk thumping*] Sell it at market value and do that. But do not come and complain about it—you are in charge. You said this is your House, you are in charge. Well, use the fact that you are in charge to do what we are suggesting to you, go out and sell it at market value and make poor people happy by giving them the real subsidized housing that they can get. [*Desk thumping*]

Would it mean a cut back in the laptops? You know nobody got laptops yet. [*Interruption*] I was in Roopnarine's Hardware buying some tiles and the cashier looked at me, almost with tears in her eyes and she said, my daughter is not going to get any laptop. Are we going to get any laptops at all? Yes, the normal cashier

there, she is working for about \$750 a week, \$3,000 a month. She cannot afford to buy a laptop. She was expecting a laptop for her child when the child went into first form, today that child does not have a laptop. Why? Scrooge Government, again. Scrooge Government again. [*Laughter*] The child does not have a laptop. That is not right.

5.15 p.m.

So you are borrowing \$50 billion—tell us, are you going to cut back on education? What is the burden on senior citizens? Are there going to be additional burdens on senior citizens?

Mr. Deputy Speaker: Members, excuse, I am hearing a constant—it has been going on a little while now and I think that we should minimize it, please.

Dr. S. Rambachan: Thank you. Mr. Deputy Speaker, I saw last night on a CNC3 business report as to the amount of money that we spend on new cars, and \$1 billion has been spent on new cars over the last three years, I believe it is. Does this mean that, you know, new car imports will now be a thing of the past and there will be control? What does that mean for people who want to buy a second-hand car? Would the price of the second-hand car now increase also? What kinds of burdens will be brought upon the population? These are serious matters. PriceSmart used up US \$507 million last year. Courts used up US \$198 million last year. These figures are now coming out, right? What is the Government's plan for import substitution? What is their plan really for stimulating the agricultural sector, and in more than that, doing agro-processing in the country?—so it would reduce the amount of imports you have in the agricultural sector.

I maintain that there are enough fruits in this country to be processed. There are enough green vegetables in this country to process that. I do not think that there is any inability to produce, but are the incentives there? For the very first time in the history of this country since the 1960s, agriculture contributed positively to the GDP under the People's Partnership Government, [*Desk thumping*] because we were doing something about agriculture and the next step was to move into the processing side. So you need to tell us what you are going to do and how you are going to do it with this \$50 million.

We see complaints by importers that they are hard hit for foreign exchange limits. But we also see a question being asked by the Couva Chamber— [*Interruption*]

Mr. Deputy Speaker: Hon. Member, you have 10 more minutes.

Dr. S. Rambachan: Thank you, Mr. Deputy Speaker. My colleague, the Member for Caroni Central, outlined five challenges that the Government has, and one he said, is on foreign exchange, and foreign exchange is inextricably tied up in this discussion to what we are talking about here today. And the people are complaining that they cannot get foreign exchange. Today, if you read the newspapers you will see that:

“Importers hard hit by forex limits”

In the *Trinidad Business Guardian*, Friday December 4:

“Importers are among the hardest hit”—so said—“Balliram Maharaj, CEO of ADM Distributors and a former President of the Supermarkets Association of T&T...”

‘A lot of my colleagues are now deciding on if they should get out of this business. People are losing confidence because of the inability to pay for goods. A lot of people are being cut out from credit arrangements,’ he told the T&T Guardian yesterday.”

That is a very important comment being made by him.

But I also want to ask the Supermarkets Association a question, you know. When they are—VAT is cut next month to 12.5 per cent, I hope that they also cut the prices on the goods on the shelves by 2.5 per cent. I hope that the Government is going to monitor that the prices are cut and I hope that it does not stay at the level of the 15 per cent, but the savings are passed on to the consumers rather than stay with the proprietors.

But there is a question that was asked in the newspaper, which I want to pick up today in a very serious manner, by the Couva Chamber President on forex woes. He said:

“Where did the US \$500 m go?”

I remember the hon Member for Diego Martin North/East, the Minister of Finance saying that he was doing a study to find out where the money went and so on.

Mr. Imbert: I never said that.

Dr. S. Rambachan: Now, I read also in the newspaper that with the change that was made in the Central Bank, in the allocations, only 3 per cent went to people who did not, prior, get foreign exchange. So just by making a 3 per cent change it could not result in what we are seeing where the traders and so on are

not getting foreign exchange. And I wonder whether the banks are the ones who should be explaining, or particular banks should be explaining whether they have been doing some things and manipulating the foreign exchange system. I really want to ask that, because I want to tell you something.

I have a constituent and this constituent about three months ago needed US \$20,000 to pay for his goods. He is a small entrepreneur, small entrepreneur, and you know he went into business. So he had \$125,000 in the bank and he came and showed me he had TT \$125,000. He went into the bank for his foreign exchange and they said, "I cannot give you the money, we do not have it, you have to wait until we get it". So he went back again and they said, "You can get it, but we have to hold your TT \$125,000 against a loan for US \$20,000 for 7 per cent interest and we will lend you the money and you will get it". So I picked up the phone and I called Republic Bank headquarters because that is the bank he was dealing with, High Street, San Fernando. And I said, "Is it true that for this gentleman to get US \$20,000 that you at Republic Bank are asking him to borrow the equivalent US \$20,000 and he can get it, and you are holding his money and he has to pay 7 per cent interest?" The guy would not carry on the conversation with me. And if that is true, I am exposing the Central Bank to investigate whether these banks are making people borrow money and then they can get the US dollars. [*Desk thumping*] Right? I am not calling any names. I am not calling any names of any of my constituents, but that is a fact, because today, on today's newspaper the Couva Chamber President said:

"I find it"—extremely—"strange"—and I am quoting him, Mr. Deputy Speaker.

"I find it exceedingly strange that a certain commercial bank can say that they don't have US to sell but it is possible to access a loan and the said US currency to be paid back with interest to that bank"—said Mr. Liaquat Ali, President of the Couva/Point Lisas Chamber of Commerce.

"How is this possible? I thought for one minute you did not have the funds. The big question is who is really hoarding?"

And that is what I want the Government to investigate.

I want the Government to investigate whether one bank paid off for its own investments in other countries with the foreign exchange that should have legitimately gone to the traders in the country. [*Desk thumping*] Let us hear—ask them whether, in fact, when they get this foreign exchange they are calling up people and saying you can get how much you want but the rate is so and so. Go

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and ask them, because I believe in my heart that some manipulation of the system is taking place by some of the commercial banks and if it is the truth, they need to be exposed because the traders and citizens of this country are suffering as a result of that. And maybe Mr. Jwala Rambarran, the Governor of the Central Bank was not so wrong after all in terms of what he was saying, although it seems that everyone wants his head for it.

Mr. Deputy Speaker, a lot can be done in this country. You know, instead of that, what is the Government doing? The Government is just firing people, left, right and centre and hiring their friends and families, hiring their own political supporters and knocking people off jobs.

Mr. Deputy Speaker, a lot can be done, a lot, a lot can be done in this situation in order to stimulate the economy. The public/private sector partnerships that are spoken about, can the Government not expand this policy position to keep the debt burden lower? There are hundreds of people with small acreages of land in this country who want to develop their lands, develop them into smaller plots, maybe 4,000 square feet, 5,000 square feet, even 3,500 square feet, where you can provide land for people who will then be able to build their houses which will keep the hardwares going, which will keep the contractors going, which will keep the plumber going, the electrician going and so on, and you can get back people working in the country. Right now the construction sector is grinding to a halt. This is the halt government, the stop government. I do not know when they are going to put on the green light and say, go again.

Mr. Deputy Speaker, nothing will happen in this country, even if today we pass this, as it is going to be passed in the House because it requires a simple majority, but the time it is now going to take in order to get this money means that not before June can anything happen in this country and this country has hard times coming.

Mr. Deputy Speaker, is the Government prepared, for example, in the construction sector, instead of burdening yourself with the debt, to have the private sector build the schools, build the fire stations and then lease them back. So at least in the short run you do not have the big capital burden that you will have, you do not have that big capital burden. So yes, you are servicing the debt but at the same time you have leverage, you have space in order to do other things

in the country and re-stimulate the country. Right now, yes, you are the one, the Government is the one who will have to spend in order to stimulate the country and when it gets stimulating the economy others are also then going to spend.

Mr. Deputy Speaker, I hope the Government is not considering devaluation as an alternative. They might be tempted to think that they are going to have more TT dollars available, but if you devalue, maybe manufacturers will find that their exports are cheaper to export. But is that necessarily true in a country that is import oriented, where even your inputs into the manufacturing sector, 90 per cent of it is coming from outside of the country. So you are going to be further burdening the people. If there are no increases in wages, how are people going to buy the goods and buy the services? Devaluation is not an option. Productivity should be considered. [*Desk thumping*]

You know, one of the key things for this Government to do is to stimulate the construction sector. You have steel in the country, but the steel plant closed down, right. You have cement, you have aggregate, you have sand, gravel, you have brick factory and you have plenty equipment, right, but you do not have to wait to get that \$50 billion to stimulate, you know. You can get the private sector by giving them the right incentives. You can give them the right incentives. In the Ministry of Finance under the Income Tax Act, I was pointing out to the hon. Member for Diego Martin North/East that up to December 2018 there are certain tax incentives. And he was saying to me and correctly so, that he wants to carry it out further into the future. But when you go to the Ministry of Housing and Urban Development and the contractors go there and they ask them what to do to get this going, the Ministry of Housing and Urban Development does not know what to tell them. So it is stuck there.

Mr. Imbert: “All yuh do dat.”

Dr. S. Rambachan: Sure, but the Ministry of Housing and Urban Development is there to effect it.

Mr. Imbert: I will fix it.

Dr. S. Rambachan: But we have done the right thing.

Mr. Imbert: I will fix it.

Dr. S. Rambachan: Well, I hope you fix it and I hope you fix it when you come to debate on the changes you have to make in the Income Tax Act.

Mr. Imbert: January.

Dr. S. Rambachan: Mr. Deputy Speaker, I want to ask whether the Government is finding it difficult to meet their revenue projections and how much of this money is going to be used for short-term recurrent expenditure. Mr. Deputy Speaker, the Government needs to prioritize.

Mr. Deputy Speaker: Hon. Member, your time has expired.

Mr. Imbert: You need to sit down.

Dr. S. Rambachan: Mr. Deputy Speaker, I thank you. I will sit on your suggestion but not on the hon. Member [*Laughter*] for Diego Martin North/East.

Mr. Deputy Speaker: It is as a result of your time having expired, Member for Tabaquite.

Dr. S. Rambachan: He will have a lot of standing to do in this House, Mr. Deputy Speaker, a lot of standing. Thank you very much. [*Desk thumping*]

The Minister of Education (Hon. Anthony Garcia): [*Desk thumping*] Thank you very much, Mr. Deputy Speaker. I rise to express my support for this Motion that is now before this honourable House and my confidence in our Minister of Finance as he seeks to provide the means, whereby the business of Trinidad and Tobago can go on. [*Desk thumping*] But, Mr. Deputy Speaker, let me first respond to the Member for Tabaquite and I noticed that as soon as he realized that I was on my feet he left. But there are a few things which I needed to say in his presence and I will say it still and I hope my friends on the other side will communicate that to him. He crafted his contribution with the phrase of, “a government in waiting”. [*Laughter*] I want to tell the Member for Tabaquite that that side will have a long, long wait before they assume Government. [*Desk thumping*]

He also spoke about “tomorrow’s burden” and he mentioned that phrase several times. While he spoke about “tomorrow’s burden” I want to inform him that yesterday’s burden was placed as a yoke on our shoulders and that is why we are in this parlous financial state today. [*Desk thumping*]

The Member for Tabaquite accused our goodly Minister of Finance of speaking untruths. I want to ask the Member for Tabaquite, whether he was speaking the truth when he stood in the Arima Borough Council and he made certain promises that have never materialized. I want to find out whether he was truthful at that time.

5.30 p.m.

He expressed concern about revenue streams, and he went on and on about revenue streams. Where was that concern of his when, while they were in government, they engaged in spending as though it was going out of style without any controls? Where was that concern? I need to ask him these questions.

He also spoke about laptops. Mr. Deputy Speaker, the position of laptops is one that we, in the Ministry of Education, are paying very close attention to because this whole scheme of laptops was one of the crooked features of the former government. You will hear more about laptops subsequently. But in order to put our financial reality in its proper perspective in 2015, we need to remind ourselves of how far we have come since we were rated as stable by Standard & Poor's in 2009.

Madam Deputy Speaker, the fiscal health—

Hon. Member: Mr. Deputy Speaker.

Hon. A. Garcia: “Mr.”, sorry. My apologies. Mr. Deputy Speaker, the fiscal health of Trinidad and Tobago was summed up by the then Opposition Leader, Dr. Keith Christopher Rowley, who is today our Prime Minister, as he quoted from a press release from the reputable Standard & Poor's Ratings Services, issued on September 14, 2009 in New York, about the Republic of Trinidad and Tobago. And I quote:

“Standard & Poor's Ratings Services said today that it affirmed its ‘A/A-1’ foreign-currency and ‘A+/A-1’ local-currency...credit ratings on the Republic of Trinidad and Tobago. Standard & Poor's also said that it removed these ratings from CreditWatch, where they were placed on Feb. 3, 2009, with negative implications.

The outlook is stable.”

Mr. Deputy Speaker, May 2010 came. The UNC, having led a motley crew of political groupies, some leading themselves, others finding themselves actually in a place of government under the rubric, the People's Partnership, completely out of their league and in a state of suspended animation, but sadly in government, that UNC/PP was supported by an accord that was ineffective and was in breach even before the ink could dry on the word “Fyzabad” in their document. The last five years were the most challenging for us in Trinidad and Tobago. Those five years, in fact, stood out to be a five-year experience of a style of misguided governance where the interest of citizens, their security and the services from the Ministries were trumped by special interest groups and contracts galore.

Profligate expenditure and the questionable projects were the order of the day. Today—as my colleague, the hon. Minister of Finance, indicated in his budget presentation a few weeks ago—the Government is now confronted with resolving almost \$5 billion in public arrears. This frightening sum directly points to mismanagement of public funds by the previous administration. For the past five years the public witnessed the abuse of power and position by the former administration, using their public office for personal gain.

Mr. Deputy Speaker, upon assumption of my duties as Minister of Education, like my other colleagues here, I too have been challenged and frankly baffled by the gross measure of mismanagement under the watch of the PP Government. The Ministry of Education received a total allocation of \$440 million for its construction programme for fiscal 2016. The ECCE centres received an allocation of \$40 million. Primary schools were allocated \$205.2 million and the secondary schools, their allocation is \$195 million. I have been advised that the total cost, that is, arrears for payment at the Ministry, currently combined with the cost to complete the construction and outfitting of ECCE and primary schools by EFCL, under the Infrastructure Development Fund, is an estimated \$1.4 billion.

The same pattern of expenditure prevails for the construction and outfitting of secondary schools, totalling an estimated \$1.5 billion. The Ministry has to pay close to \$3 billion over the short-term period. Mr. Deputy Speaker, what is there to do? We are certainly in a difficult and challenging position, to say the least. It is therefore imperative that we increase the Government's borrowing limit to allow for the payment of outstanding expenditure, as well to engage in key high priority projects and initiatives which will contribute to revenue generation and the long-term development of our country.

For example, we have to ensure the continued expansion of accessible tertiary education in keeping with our manifesto which is now official Government policy. We also plan to ensure that all our schools are equipped with free, easy access to broadband Internet so that the entire education system can benefit from technological innovations. [*Desk thumping*] And this is one of the reasons why we have not yet outfitted the schools with laptops.

Mr. Deputy Speaker, you will recall that in my contribution to the debate on the budget for fiscal 2016, I declared that the Education Facilities Company Limited was a runaway horse. The developments related to that matter which have since been highlighted in the media are certainly testimony to this. It was with both shock and dismay that I learnt of the \$620 million debt incurred by EFCL. The Ministry of Education, at that time, accumulated an outstanding debt of

\$337 million in the area of construction alone. Over 20 contractors had submitted invoices to the Ministry for the period August to November 2015 for work completed on the ECCE centres, primary and secondary schools. These invoices totalled close to \$319 million. Contractors have stopped work because of non-payment and I am bombarded by the pleas and protests of parents throughout this country who are facing various problems.

Actual construction of these schools is only one part of the overall cost. Further costs are then incurred because these schools now have to be properly outfitted. The outstanding debt for outfitting is \$40 million. In spite of a debt of \$168 million for repair and maintenance, we continue to receive reports on a weekly basis of various schools being closed due to sewer problems and electrical issues. Many of the plants are over 50 years old and require maintenance and upkeep which, in fact, was the mandate of the EFCL.

Mr. Deputy Speaker, there are those in the national community who have echoed the sentiments that the new mandate and core business of EFCL is the award of contracts, corruption, nepotism, wastage, among other less than honourable behaviours. With respect to contracts, on some schools we have witnessed stalled construction, suspended work by contractors, withdrawal of contracts from sites and termination of contractors. Following upon such termination by EFCL for non-performance or under-performance or withdrawals, with schools half-built or the sites merely scratched, there are new awards for the same schools to new contractors and the cycle of awards of new contracts for the same projects.

Millions are then paid in respect of mobilization and advanced payments and there is evidence that this cycle has been repeated for the same schools. We are told in some cases that some of the performance bonds for millions of dollars, together with the mobilization and advanced payments, are not worth the paper they are drawn upon.

Interestingly, EFCL officials are on record as saying that the success rate of the company in recovering moneys under these bonds and the payment guarantees can be quite low. One has to ask: where has the due diligence been? Where was the oversight by the former Minister of Education over this very important state enterprise which has the future of our children's education in its hands? Where have the governance arrangements gone? How can any government allow the patrimony of its people and the funds in the Treasury to be so frittered away through what I can dare say, appears to be inefficiency and ineffectiveness?

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One wonders whether any conspiracy is afoot or whether negligence is at play when a board of management or public officials can allow companies which are incapable of paying up on bonds and guarantees, or when a ministry, the board and/or management of EFCL are either unable or reluctant to pursue recovery of state funds under these guarantees. To underscore the point, Mr. Deputy Speaker, there have been seven secondary schools under construction over the past seven years or so. These schools are: Barataria North Secondary, Carapichaima West Secondary, Mount Hope Secondary, Parvati Girls' Hindu College, Shiva Boys' Hindu College, Siparia Secondary and St. Joseph Secondary. The total contract sum on these schools in aggregate is \$1.4 billion. I repeat, Mr. Deputy Speaker, \$1.4 billion. But delays were experienced as a result of suspended work on three of these schools because their payment by EFCL was delayed.

None of the seven schools today have been fully completed after more than five years. The percentage completion of these schools range between 1 per cent to 15 per cent. In some cases, percentage payment made to contractors was way ahead of works completed on the project.

5.45 p.m.

As at November 2015, it has been estimated that the sum of \$845 million—yes, Mr. Deputy Speaker, \$845 million—will be required to complete these seven schools of which I just spoke, both for main campus buildings, as well as new extensions and additions. From where should these moneys come? Further, in order to kick-start the recommencement of construction in respect to three of these secondary schools, namely Barataria North, Shiva Boys' and Parvati Girls', some \$40 million will be required to get these projects back on track.

Mr. Deputy Speaker, the funds we seek will provide the much-needed intervention in the fiscal challenge we now face. It will boost the profile of Trinidad and Tobago. Investors will regain confidence in our country and they will return. Local investors will also be attracted to partner and re-establish relationships with the Government to continue developing our country. With this much-needed cash flow, we will reduce the risk of defaulting on Trinidad and Tobago's existing fiscal commitments. This is critical, Mr. Deputy Speaker. I congratulate our Minister of Finance for his timely intervention to manage our economy so that life in Trinidad and Tobago can return to some semblance of order.

Mr. Deputy Speaker, in five years with five budget deficits, increasing exponentially from 2010 to 2015, the total sum spent is unprecedented in the

history of this country. On September 08th, after the People's National Movement won the general election and assumed office, we realized that the management of our economy was in shambles. Although with annual warnings by the PNM whilst in Opposition, the management over the last five years was nothing less than organized chaos. But we will not be deterred, we shall prevail.

In the Ministry of Education, our staff in various departments have been working daily to effectively serve the public and communicate with our clients through this difficult period. Our Minister of Finance and Member of Parliament for Diego Martin North/East, hon. Colm Imbert, has been grappling with the parlous state of the Treasury we inherited from the UNC Government. The signs of profligate spending prior to our being handed the management were obvious. We warned, as a responsible Opposition, yet the spending continued. Our Prime Minister, Dr. Keith Rowley, had also warned the nation of the bleak economy during the term of office of the UNC Government and their style of suppressing the facts from the public.

Mr. Deputy Speaker, I support this Motion. I see the Motion today as the only way out for this administration to effectively serve the people of Trinidad and Tobago. Our citizens must continue to have a future which is bright and one which has promise. For far too long, during the last five years, some of our citizens have been mere observers to an economy spiralling out of control, mere objects and not subjects of a system. School repairs and teachers' issues were not resolved. The National Parent Teacher Association and the Trinidad and Tobago Unified Teachers' Association were not embraced as stakeholders in education. Parents and the children were left unserved and disrespected as schools fell into disrepair. The neglect of areas of the education system resulted in marginalization of many communities, while other communities advanced in infrastructural improvements and developments. Such an approach to development is a breach of the very Oath of Office parliamentarians take on their assumption of office.

Development is welcome but it must be for all. Inclusion is necessary. Exclusion of areas and communities in any development plan is a barrier to human development. When the approach to management of a country sees a prompt intervention in one area of the country and not other areas, true development lags behind. Marginalization is a hindrance to effective development.

In our education system, ineffective school management of plant, equipment and human resources in our schools have resulted in inequality of opportunity. This is a breach of our Anthem and a breach of human rights. The poor

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management of our school system is a violation of the United Nations Rights of the Child and even the creed of many religions which value the coming generation as the future of the world. Trinidad and Tobago repudiated such mismanagement on September 07, 2015 and now, we must make it right.

Many glibly mention, in public statements, affirmation describing Trinidad and Tobago as a model nation. I agree, but today we must work our way back to that time when the education of our children was of paramount importance. To the former administration, the importance of education in Trinidad and Tobago paled in comparison to other areas of lucrative contracts which were neither monitored nor measured. The outcome, in most cases, of mismanaged projects was one that neither enhanced nor created opportunities for true human development. The millions spent on their flagship projects, for example, LifeSport, had no positive improvement in the target group for whom it was designed. The Ryan Report, complete with recommendations, has not been effectively implemented. LifeSport is on the list of projects under investigation and no interventions were developed to rescue those who were left behind literally as the project was transferred to another Ministry.

Mr. Deputy Speaker, with a well-implemented fiscal plan which begins with the ability of our Government to raise the necessary funds, with the successful passage of this Motion, we will well be on our way to rectify this sad situation. In our Ministry of Education, many of our staff were demotivated as they tried to make sense of the challenge to manage the various departments. There are invoices for payment which go back to a period prior to 2015. However, as a responsible Government, we, the PNM, will pay the bills and allow our partners and our service providers to stabilize their businesses which are now challenged by the mounting debts owed to them.

The Ministry of Education is indebted to the MTS, security and maintenance company, of over \$73 million. The Ministry of Education is indebted to WASA in a range of \$1 million; T&TEC, over \$10 million; TSTT, approximately \$5 million; contractors, over \$600 million. One cannot easily re-engage contractors to whom money is owed and for whom no payment schedule has been developed. There are also smaller companies who have also provided services for maintenance and security who are owed close to \$4 million each. We cannot continue like this. Our Minister of Finance has developed a way forward and as a nation, we must support this plan as the most effective recovery option available to us as a nation.

Mr. Deputy Speaker, our contractors and the service providers have staff to pay and the impact of this debt left behind is being felt by many individuals who have families to support. Issues of debt to contractors, added to ineffective management of the education system for five years, have resulted in uncertainty in the society. Our duty to our children is one of great importance. The children of this nation are sacrosanct. Nothing must violate that trust of moulding the minds and shaping the characters of those under our charge.

The fiscal plan that these Motions will facilitate will guide the nation and we look forward to 2016 with optimism, with boundless faith in our destiny. I support the Motions and I look forward to an end to this period of fiscal and social challenge brought on as a result of inherited fiscal commitments. This period will soon be behind us. Every citizen has seen and experienced that roller-coaster ride over the last five years, and we now embrace the fiscal intervention. We look forward to a prosperous new year and the new phase of effective governance with responsible measures to stabilize our economy and strengthen national and international confidence in our economy.

Mr. Deputy Speaker, the Motions detail the conditions for each quantum and the focus and the funds we seek to raise. This is prudent fiscal management which will guide us back to responsible Government. Thank you, Mr. Deputy Speaker.
[*Desk thumping*]

Mr. Prakash Ramadhar (*St. Augustine*): Thank you very much, Mr. Deputy Speaker. As my recently deceased friend, Keith Narinesingh, said: if you want something different, you got to do something different. I pause on that statement. If you want something different, you have to do something different. Déjà vu again, as we say, when we came into Government in 2010, the very arguments we are hearing on the other side were put, and on five years after, a change of Government, arguments similar come from across the floor.

6.00 p.m.

Mr. Deputy Speaker, I think the county wants something different. No longer do they wish for us to be, as the Americans say, shooting up within the tent, because we are truly a very small nation with huge ambition; some difficulty, but really a paradise waiting to happen and we cannot have a change of players without changing the rules of the game because the game itself is the core of the problems we face here.

I am extremely attracted to the amendments proposed by the Member for Caroni Central, but if it is that we are to borrow \$50 billion, and without a doubt,

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the Government in charge as they are, being elected on September 07th, constitutionally have the majority with or without our support, they would be able to pass with the necessary votes.

But I think what we require here, more than anything else, is a fresh look now with the winds of change being real. We have spoken about change before, but this is change in real time with well serious issues. Never before in the history of the world have we faced the challenges that this generation, and generations yet to come, shall face. I give you one prime example of such, global climate change, the effects of which will dramatically necessitate a change, not just in the way we think but the way we do things and the change of an economy that is carbon-based for all of those, especially Trinidad and Tobago, which many have called a blessing and others have called a curse of oil and gas. We cannot be, shall I say, kept on a short leash and racketed about on the basis of international changes over which we have little control. So we see a period of boom, great expectations, great hopes and then we see a period of gloom and doom when oil and gas prices fall. We cannot live like this.

Coming after the most noble and distinguished gentleman from Arima, a man for whom I have great respect and fondness for a long period of time, he speaks to some of the difficulties he has experienced now as a Minister of Education, but I shall get to that in a short period of time.

Let me deal now with the bigger issues. Unless we wake up and understand that what is upon us may not be a temporary dip but a structural adjustment that we must make in this country, it is either we get ahead or we go under. We have great privilege in this nation of a comfort zone of the oil and gas, yes, of an educated population. But we have, at the same time, a disconnect between those who are governed and those who govern.

There is a lack of trust, no matter which side you are. On September 07th you had the favour. We had it in 2010, and we shall have it again and the cycle will repeat itself. And that is why, in 2010 onwards I speak here for the Congress of the People on this side. [*Laughter*] They could laugh as they wish. They could laugh as they wish. Of course, they say that it is the “Congress of the Person”. But let me remind my friends that sometimes it takes only one and I shall continue to speak to this because I am not here for political gamesmanship. I am here because I want all of our children to grow up in a better tomorrow. [*Desk thumping*] And to have heard the Member for Tabaquite put it so well. What is it? The burden of tomorrow?

Dr. Rambachan: Tomorrow's burden.

Mr. P. Ramadhar: Tomorrow's burden is our duty to lift today. Yes, we may need to borrow. That is the structure that we have inherited. We borrowed, you have to borrow. You would blame us. We blame you. What is at the core of this thing is really value for money.

To have heard the Member for Port of Spain South speak about the expenses and the cost of building is jarring, but it is real. But that did not happen in this last five years alone. It started long before, where we do not, as a people, get value for money. And it started where there is a great dependency and a large part of our economy is based on Government expenditure; a reliance and a dependency on the Government, that is the State, to furnish economic growth.

We have to decide who we are and what we are about. Are we a socialist state, a capitalist state? What are we? And unless we have that understanding, that vision, we will continue to take burdens that we may not be able to bear in difficult times. I believe in independence. I believe in independence of the spirit. And that comes, not just by saying it but by truly empowering people to have economic independence, which then leads to political independence and, therefore, that leads to true democracy.

What do we do? Are we to continue spending as we have for make-work projects or so, or do we then say at this point in time, where the crunch time has come, we as a people because—I want to tell you I admired fully the statements of our Prime Minister on election night when he said we shall do this together. Many of us are slipping, understanding not as well, maybe, as their leader has, and sometimes on our side too, that this nation is so small that we cannot afford now—when we shoot a bullet must hit its target. And what is the target we want?

The target we want is for a prosperous nation, one that is happy within its own skin, where we do not crave things that we cannot afford, where we return to our brothers and sisters as true keepers, where we feel safe in the company of each other, where the educational system is enhanced so that we will liberate ourselves for the new economy that must come, whether we want it or not. Necessity is the mother of invention and if now is a time for necessary change, we must think differently. For far too long we paid lip service. It is about time we put hip service. Put your back into this thing.

What do I mean by this? Are we to wait and hope for a rise in oil and gas prices, or are we to re-engineer ourselves now with lowered expectation? I want to tell the Member for Diego Martin North/East, sometimes we are in some joke

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and say that he was theatric. I thought, actually my line would have been as Acting Prime Minister, he took it to another level. He should have been proud. He was brilliant. He has primed this nation for failure. From the moment the PNM took Government, rightly they had to condemn what they perceived as the wrongdoing of the former Government. But they primed this nation for failure, which is, in a way, a very bad thing. But in a way, let us take the benefit of it. The expectations of the population today would be lower than it was than any other time in the past, in terms of what the future holds. There is a sense of foreboding as to what will come. Dark clouds have come on the horizon and there is a fear factor that we will not be the same as we have been. Things will not be as good as they were because, God, we have realized, is not a Trinidadian and we must now then remember that God helps those who help themselves.

Why do we continue to look to international masters? I thought independence came a long time ago. But we have never really sought to find true independence to grow food within our shores so that we could be independent from food fluctuations. We remember 2008, what happened with the price of rice and flour and basic commodities when prices shot through the roof, and notwithstanding the price, there was a tremendous scarcity. So I look forward for the success in the Ministry of Agriculture, Land and Fisheries to really revitalize that which God gave to us to feed our nation as a first priority. It is a national security issue.

How do we do these things? Speaking is one thing. I grew up in a large part in a business family, yes, but we had a farm. I know how hard agriculture is, how muddy it is, how difficult it is to go into the weather and to dirty yourself and to look after animals and to plant things, but it is essential. Somebody has got to do it. We cannot import as we have been. We cannot truly afford it.

I want to hear that if this \$50 billion, \$50,000 million is to be borrowed, it must be put into things that are wealth-generating and not just to pay debts or to finance projects. Because you know, there is a great fear factor that I feel that a lot of this money will go into the rapid rail. This rapid rail—and to date we have asked the questions repeatedly, the \$10 billion they have spoken about as to the estimated cost, whether it is TT \$10 billion or US \$10 billion, we do not know. But if we are to go—my friend, the Acting Prime Minister gave a number of developmental projects that they may wish to entertain, it is a large menu. We do not know which of that menu they will be ordering and what is the price tag on each one so we could know whether we could afford it or we would have terrible indigestion after we purchase it.

If it is, for instance, that we would go to the rapid rail and spend, let us say TT \$10 billion, almost all of that expenditure, by rail or by other means, will leave this nation because we have no capacity here, no local input for rapid rail or that sort of development. When we could spend over \$500 million for the pre-feasibility, I am just giving an example, you see, we do not know what the actual engineering costs are going to be, the consultancy fees. I am not an expert in these things, forgive me.

Hon. Member: Acquisition of houses.

Mr. P. Ramadhar: Acquisition of properties. It is going to be huge; that is not wealth-generating.

On the other hand, I mean forgive me, but I have heard the list of the items that were paid for or to be paid for, but by work done by the prior Government, you had a list of concrete issues with real concrete evidence of what they are and the value to our people. And yes, money had to be borrowed to pay for that, but at least we know what they are. So they have rattled off a list, and I look for the details. The specificity is important in these matters, so that I can feel comfortable in saying well all right, the money will bring tremendous benefit to our nation and not just be evaporated off to pay for foreign exchange importations. And this is really important, and that is why, you know, where I started I shall return now.

The Member for Arima spoke about a lot of the ills about contractors and construction; the Member for Port of Spain South spoke also about this value for money issue. Procurement legislation is critically important because we cannot play the same game with different players by the same rules. And that is why it was a paradigm shift as we proceeded and we truly had hoped that that would have been part of our fundamental starting point as we proceed to spend further into this new term.

The Attorney General—with whom I have an excellent relationship and many others I am developing; there are others I shall not now call here—speak now that this five years will be a turning point in the history of this nation because they promised, not just procurement, which had gone a long way, but significantly campaign and party finance reform, which has been a niggling scourge behind the politics. Where does the money come from, where does it go and who benefits at the end? I want to warn all politicians, if anybody believes that one side is superior to the other, there are men and women on this side and men and women on that side who have noble intent and every effort to do good by the people but there are predators. There are predators amongst all of us and they change their names and they change their symbols depending on where the cash is.

Mrs. Robinson-Regis: Speak for yourself.

Mr. P. Ramadhar: Well, we will show you. I could call names but I shall not go there. I shall not take this debate to a lower level. This is a level here of national build and not national break. This is not about pointing fingers but pointing the right direction.

So I want to warn that for some who are sitting here wishing to do well and good and nobly by our people, that every dollar spent should be to their benefit and to no one else, that there are predators in this nation. It has a long history of it.

Mrs. Robinson-Regis: Why you did not tell the “Partner” that?

Mr. P. Ramadhar: Let me tell you something, that is why we pushed. Mr. Deputy Speaker, I shall address you. And that is why we pushed.

Mr. Deputy Speaker: Please do.

Mr. P. Ramadhar: Yes.

Mrs. Robinson-Regis: How is it you could not tell them that—

Mr. P. Ramadhar: We pushed for procurement legislation.

Mrs. Robinson-Regis:—at the end of your term? Talk to the Deputy Speaker.

Mr. P. Ramadhar: Am I safe now, Sir?

Mr. Deputy Speaker: Yes, go ahead, proceed.

Mr. P. Ramadhar: That is why we pushed for procurement legislation and the history is not to be remade here. There are facts. There is one truth and different interpretations and the timeline for that legislation is well-written. It is well-written. So that to say now, as we begin this thing, this new term that—
[*Interruption*]

Mrs. Robinson-Regis: Did they procure anything? I am talking to myself.

Mr. P. Ramadhar: So attractive are you I could hardly resist.

Mr. Deputy Speaker: Member for Arouca/Maloney, please.

Mrs. Robinson-Regis: I apologize.

Mr. Deputy Speaker: Please give the hon. Member his time to speak, please.

Mr. P. Ramadhar: I could look at her all day, Sir, but listening is another matter.

Mr. Deputy Speaker: We are going good.

Mr. P. Ramadhar: Yes, we are going very well. Mr. Deputy Speaker, we are on the point that procurement legislation is what is critical. And here we are, at the brink of a \$50 billion further expenditure, and you promised to do it better. You promised to do it like you did not do it before. You promised a new vision and a new way.

6.15 p.m.

How long would it take then for us fix this thing that changes the rules, so that when things are done, it will protect you and your political party? So that when you do it, it would have gone through a new regime of checks, balances and control, so that frivolous allegations cannot be made as they have been made against many on this side when we were in Government. I dare say there would be allegations that would have been made where there would be merit, and we ask for all those who were responsible for any misdeed for them to be held to account, as we will if any on the other side should fall victim to that. But as a preventative, protective measure because the one thing that we have always had a terrible shortage of in this country, you think about scarcity, you think of paucity, you think about a terrible burning need and desire is for our people to be connected to its leaders, I said that earlier and this is how we do it, to restore trust. But you ask the average Trinidadian: “Do you trust politicians?” Well, I think we rank a little bit lower than whether you trust lawyers, and lawyer/politicians well, I say no more.

Mr. Deyalsingh: And accountants.

Mr. P. Ramadhar: And accountants too. [*Laughter*] So that we need to fix that thing, because as the major challenges come, this very terrible horizon we have of economic gloom and doom, which has been so well painted by the Acting Prime Minister, has set the framework for people not wanting to participate, not wanting to belong, not wanting to further feel that they are part and parcel of the problem, therefore, part and parcel of the solution, because the problems were made by politicians and they have to fix it, not “we”. “Doh tell me all yuh tief out de money, and come now to tell me `bout tax”, or tell me about the different austerity measures that one may have to deal with. As grievous as they are, the reality is something else. To restore that trust, before a dollar is spent because what I have been hearing, is that so many projects that had been on the way, possibly close to completion, have been paused to what? Revisit? What was the term being used for it?

Hon. Member: Review.

Mr. P. Ramadhar: Review. Well, why are we reviewing that which is already in progress when we have an opportunity to reset those which are yet to start with proper process? It does not take all that long. I tell you this, if we should do this, when I say “we”, we as the leaders of this nation, in this House, representing the body politic. The Prime Minister, of course, and us on this side form the Parliament that have the responsibility to lead politically, and to guide, I dare say morally, [*Laughter*] why do we not use this opportunity now? So that that \$50 billion at the end of your term, you could stand boldly and safely, and if anything should fall short, you would have had in place checks and balances to insulate yourselves. Because we did not have that benefit and, therefore, for those even as I say with the highest ambition to do good, the noblest of intent would have been cornered into a position where blame was cast, the bucket thrown and all was splattered upon us. We paid the price on September 07th. There are many other things, but I shall not go into that today.

So that is why, Mr. Deputy Speaker, I feel convinced that this is a moment in time that we should not squander. Let us do things right. The change that everyone has spoken about, the time has come upon us. We are at the end of it, one nation, one people, one destiny. The destiny is unknown, but by the actions we take, we can help shape the destiny we want. Mr. Deputy Speaker, I thank you very much. [*Desk thumping*]

The Minister of National Security (Hon. Maj. Gen. Edmund Dillon): [*Desk thumping*] Thank you very much, Mr. Deputy Speaker. I stand this afternoon in support of the current Motion to increase the borrowing limits of the Government of Trinidad and Tobago under the respective Acts. I want to congratulate the Minister of Finance and also the other speakers on this side of the House, for their valuable contribution to this debate. In this regard, I seek on behalf of the Government, to add the Ministry of National Security’s justification for the extension of the borrowing limit given that a substantial element of the debt of the previous Government was, in fact, acquired from this Ministry. [*Desk thumping*]

I want to just take a little issue with the Member for St. Augustine, who I must congratulate for a very good contribution, but you stated that the country wanted something different. I just want to remind you that the country, in fact, voted for something different. [*Desk thumping*] They voted for good governance, transparent Government and responsible governance.

Mr. Ramadhar: Let us do it together.

Hon. Maj. Gen. E. Dillon: Let us do it together. [*Laughter*] You also mentioned that we have to borrow to live for tomorrow, and the question you said was, value for money, but did we get the value for money over the last five years? You also mentioned: why are we reviewing? But we have to review. We have to review because if the processes, if the systems and the procedures were wrong, then the results would be wrong. So we have to review as a responsible Government. [*Desk thumping*]

Mr. Deputy Speaker, let me just remind this august body that more than ever before in the history of Trinidad and Tobago and by extension the world, the dominant and ever recurring themes of national security, public safety and security, critical infrastructure protection and emergency preparedness, occupied the most pressing agenda of any Government today. I want also to repeat that there is no area of public policy that is as important in terms of manpower, money and resources, as national security.

Mr. Deputy Speaker, adequate protection of Trinidad and Tobago's critical infrastructure and key assets will rest on cooperation and collaboration in all sectors. Most importantly, it is the utmost good faith and public confidence demonstrated by the electorate on September 07, 2015, that this new administration will incrementally raise the barometer of public trust and confidence, in taking national security to its rightful place, with proper, adequate financing and, of course, with procurement practices. As such, it is important to point out for this Government, there is no greater role, no more important obligation, than security, protection and safety of its citizens. A clear and effective approach to securing the foundation of our prosperity is our guarantee that future generations will continue to enjoy a good life.

It is critical to note that the overall security of Trinidad and Tobago is inextricably linked to economic stability which this Government will provide, to restore sufficiency which this Government will provide, and to good governance which this Government will provide. Thus, Mr. Deputy Speaker, a central question arises: How responsible and effective has the last administration been towards the stewardship of our finances for the past five years? I think the evidence is clear to all, and I am sure the appropriate answer or solution is, in fact, provided. Mr. Deputy Speaker, in order to fully appreciate the gravity and the crisis that adversely impacted on our national finances for the past five years, it may be imperative to take a rear-view mirror look briefly at the previous administration's stewardship.

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On assuming office in September 2015, the Ministry of National Security encountered several unpaid debts both local and foreign. Given this Government's stated policies of assessing all arrangement that is met in the various Ministries, we proceeded to determine what the quantum of additional resources that we require in this current fiscal year is. When we looked at what has happened, we have seen a number of debts being incurred and committed for this Government to incur in this fiscal year.

I speak to the acquisition of fire-fighting vehicles for the Fire Service at a cost of \$145 million; \$145,450,000. New fire stations that were built with no vehicles. I speak to the balance due with respect to procurement of 12 naval vessels, and the accompanying maintenance and training programmes acquired by the former People's Partnership Government. These vessels comprise six coastal patrol vessels and six interceptors, the overall cost of which is \$1,358,475,000. I repeat, the overall cost of \$1,358,475,000—

Mr. Imbert: Without guns.

Hon. Maj. Gen. E. Dillon:—for the ships without guns.

To date the total of almost \$780,619,000 has been paid, leaving a balance of \$569,854,899 still to be paid, Mr. Deputy Speaker. In addition, the previous Government procured what is called a multipurpose vessel. Now, what is a multipurpose vessel? It is not an offshore patrol vessel. It is not a fast-patrol craft, but it is labelled a multipurpose vessel from the Chinese Government.

Mr. Imbert: “Da’is de fishing boat.”

Hon. Maj. Gen. E. Dillon: The fishing boat, a multipurpose vessel—
[*Interruption*]

Mr. Imbert: Without guns.

Hon. Maj. Gen. E. Dillon: Without guns at a cost of \$228,683,000. To date approximately one-third of this cost has been paid amounting to \$73,825,000,000. Now, when you look at that, when you look at the procurement of these vessels, and we understand that the Government received almost one point something billion based on the claim to BAE. Now, what happened to those funds? If it is that you still require vessels, you still require ships, why did you not take that money and put it towards the expenditure of the new vessels? [*Desk thumping*] Where did that money go? It is really the same amount of money. Why is it that this Government now has to look for money to procure these ships when there was, in

fact, money received from the BAE contract? [*Desk thumping*] Those ships were on trust, on a pay later plan. Now, this Government must find the money to pay for these vessels that were on trust, Mr. Deputy Speaker.

Again, the previous Government had committed to a project for construction and procurement of equipment for the facilities at the National Operation Centre by the Chinese firm Huawei. The total cost of this project was estimated at \$574,946,000. To date \$223,949,000 has been paid. It leaves a balance of \$351 million still to be paid, Mr. Deputy Speaker. To keep our Air Guard assets right now, Mr. Deputy Speaker, we have to expend in excess of US \$30 million based on contractual obligations that we have inherited.

In addition to the foregoing, a number of commitments in a wide range of projects called for payment of balance project figures, where 30 per cent deposit was made prior to the end of the previous fiscal year. So we are saddled, Mr. Deputy Speaker, with the 70 per cent on almost all of those projects at this point in time. In one instance, a local supplier is due to be paid approximately \$20 million a month going to the fiscal year 2016. Some of these projects while they can be considered necessary, but in some instances the ramifications for the Government's purse were, in fact, never considered. So we have inherited to deal with these obligations from the last Government.

In addition to those which we have to meet significant debts, several projects are currently ongoing in the Ministry of National Security, as we seek to build and in some cases rebuild, where necessary, the national security architecture that is essential for the reduction of crime and criminality and the safety of our citizens in Trinidad and Tobago.

6.30 p.m.

These projects include, among others, further development of the computer systems available to the police service, expansion of the police network, expansion of the GPS projects to equip an additional 680 vehicles with GPS devices to facilitate better service delivery and accountability, implementation of an ad hoc networking technology which will allow officers on mobile patrol to instantaneously obtain information from internal databases on potential offenders, Mr. Deputy Speaker; a body and vehicle camera project to establish and improve evidence-based policing culture and a sharing of information and location of police activity involving vehicles; an interrogator system to allow for digitally recording interviews of suspects, victims and witnesses. To assist with the reduction and detection of crime we have enhanced investigative techniques, Mr. Deputy Speaker.

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We are also going to be implementing a Firearm User's (Employee's) Certificate and Firearm User's Licence management system. This system would enable the establishment of a National Firearm Registry and allow for accountability for illegal firearms. This project, Mr. Deputy Speaker, is in fact in the procurement stage. Implementation of an Internet protocol PBX telephone system which will enable all divisions throughout the Trinidad and Tobago Police Service to move to enable them to communicate instantaneously and, therefore, deal with the crime in a more purposeful manner, Mr. Deputy Speaker.

There is also, Mr. Deputy Speaker, in the fiscal year 2016, upgrade of the Police Service Training Academy to ensure better delivery and better preparedness for our police service personnel. With respect to construction of police stations in 2016 financial year, there are nine new modern police stations to provide a better working environment for the police officers: completion of the Besson Street Police Station, the St. Clair Police Station, Maracas/St. Joseph, Manzanilla, Matura, Matelot, Roxborough and Old Grange, Tobago.

We move now to the Forensic Science Centre, Mr. Deputy Speaker. In 2016 we are looking at computerization of the Forensic Science Centre, implementation of a laboratory information management system, installation and implementation of the JusticeTrax laboratory information management system. This would involve integration with client agencies which should improve the turnaround time of casework and would also allow external clients to remotely enter data prior to submission of evidence, and verify status of submission, Mr. Deputy Speaker.

With respect to the Forensic Science Centre, we are also looking at institutional strengthening through the accreditation of analytic services and the extension and modification of facilities through, one, expansion of the security system, biometric access control to exhibit room storage areas, increased security for evidential submissions at the Forensic Science Centre; expansion of the IP camera system, refurbishment of our security room, refurbishment of our firing and shooting range with respect to the IBIS system, construction of a new state-of-the-art facility; the relocation of facilities in the Carlsen Field area—this project is in fact at the design stage.

I move now to the Trinidad and Tobago Prison Service: design and installation of the new alarm system at the Golden Grove Prison, construction of a laundry at the Maximum Security Prison, acquisition of close-circuit television for the prison service, which will contribute to improved security for both prison officers and inmates; construction of a female dormitory at the Youth Training

Centre, establishment of the offender management programme, implementation of the offender management movement system, construction of the videoconferencing facility at Golden Grove, which of course would allow for modern technology to assist in the judicial process; construction of the new remand facility at Golden Grove, implementation of an electronic monitoring system, improvement of the prison management policy to deal with both prison officers, prison institutions and inmates.

With respect to the Trinidad and Tobago Fire Service, Mr. Deputy Speaker, in 2016 the Ministry of National Security hopes to construct fire stations in the following locations: Arouca; Lady Hailes, San Fernando; Mayaro and Point Fortin. [*Desk thumping*] [*Interruption*]

Mr. Deputy Speaker: Proceed, hon. Minister.

Hon. Maj. Gen. E. Dillon: The Member for Tabaquite said he is joining with us to do so.

Mr. Deputy Speaker, with respect to the Immigration Division we look at modernization of passport processing and identification processes. In fact, we are looking at the implementation of the Automated Fingerprint Identification System, the AFIS, and this phase of the project involves expansion of the existing database; upgrading of software, acquisition of hardware to capture digital image of fingerprint, implementation of the e-passport system; a fully computerized and automated passport system, and, of course, easier passport processing and identification process. Mr. Deputy Speaker, we look at completing the outfitting of the Government Plaza for the immigration headquarters, and complete outfitting of this facility would improve our working conditions for employees, and, of course, a better environment for our clients, the people of Trinidad and Tobago.

Mr. Deputy Speaker, for 2016 we are looking at a recurrent expenditure throughout the Ministry of National Security for approximately \$3.5 billion, development programme of \$872 million, an IDF of \$197 million, and this expenditure is also in addition to what we have inherited, based on the last Government's expenditure. Mr. Deputy Speaker, this is but a sampling of the many projects and programmes the Ministry of National Security is pursuing for 2016. There are ongoing projects in other areas, such as the Citizen Security Programme, the mentorship programme, the National Drug Council, the organization for law enforcement policy, and, of course, our international affairs portfolio.

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Indeed, it will be remiss of me if I were not to mention the current arrangements in training with respect to the hosting of the Conference of Defense Ministers of the Americas in 2016. Mr. Deputy Speaker, in the Ministry of National Security we continue to serve the citizens of Trinidad and Tobago, to create a secure environment for sustainable development, and so we support—the Ministry of National Security supports this Motion [*Desk thumping*] to ensure that this Government provides a secure and safe environment for the citizens of Trinidad and Tobago.

Mr. Deputy Speaker, the Ministry of National Security remains responsible for the security and the well-being of Trinidad and Tobago citizens, [*Desk thumping*] to create the environment for sustainable development, to ensure that Trinidad and Tobago remains a place of peace and security, and, of course, one of the best countries in this world under this Government, Mr. Deputy Speaker. I thank you very much. [*Desk thumping*]

Mr. Deputy Speaker: Hon. Member for Naparima. [*Desk thumping*]

Mr. Rodney Charles (*Naparima*): Thank you very much, Mr. Deputy Speaker. Today, we meet to discuss three Motions by the Government of the Republic of Trinidad and Tobago to increase the debt ceiling from \$70 billion to \$120 billion. Mr. Deputy Speaker, I would have hoped that coming here one would have gotten an architecture of what is the status of our economy, what is our debt profile, [*Desk thumping*] and how we intend to handle this for the benefit of the citizenry of Trinidad and Tobago.

Mr. Deputy Speaker, I would have hoped to hear the totality of our debt profile and the mechanisms for addressing it. Instead we hear, from speaker after speaker, what is clearly a strategy on the other side to articulate a litany of woes that they inherited, forgetting that they are in charge now, [*Desk thumping*] and they have a responsibility to point this country in a direction in which it ought to be going. So after less than three months, Mr. Deputy Speaker—more than three months, and after a budget speech, this new Government has presented us with its master plan that it had spent five years developing while in Opposition. The great secret plan is to borrow \$50 billion to fund what, we do not know. [*Desk thumping*] How we will pay it back—[*Interruption*]

Mr. Deputy Speaker: Members, please, let us hear the Member for Naparima.

Mr. R. Charles: Thank you very much for your protection.

Mr. Deputy Speaker: Members—proceed.

Mr. R. Charles: How will we pay back that money is anyone's guess, and from whom we will borrow is a PNM secret.

We are told, Mr. Deputy Speaker, that the Government has inherited debts which require immediate payment and if we do not increase the ceiling the economy will grind to a standstill and contractors will not be paid, and we have no problem with paying contractors. We have a problem with the fact that the debt has not been quantified and presented to us so a decision could be made. We are informed that the Government may not necessarily borrow the \$50 billion, so approve this large sum just in case. They only wish to borrow that amount if it is needed, apparently they are not sure. We are told in other fora that we will enjoy a blue Christmas and to do so we need to go into debt. We are told by implication that this debt will finance a stimulus package that hopefully will redound to the health and well-being of the economy, much as the US did years ago. We are not told how this stimulus will work. We are told that this debt results from overspending by the previous Government; no attempt has been made to quantify this outstanding debt. They are not bothered by facts, only by details, Ministry by Ministry, and in a way that we cannot get the full picture. The Treasury is empty, we are informed without details, and the only option is to borrow.

This reminds me, Mr. Deputy Speaker, of a friend I had, whose only economic plan was to borrow from the credit union, borrow from the banks, join a sou-sou, and he ended up paying debts from one institution to the other because he had no plan to get himself out of a debt [*Desk thumping*] to become self-sustaining and independent, and have a plan for himself and his family. We are told by how much these new borrowings will increase our debt-to-GDP ratio; we are told 65 per cent. And we are told that in the European economy, these countries, this is an acceptable debt, not recognizing that European economies are mature economies. We are a commodity economy, and, therefore, the assessment of our debt profile is different from those countries. Sixty-five per cent debt-to-GDP ratio may be a precarious debt that carries us down the slippery slope and we will end up like [*Desk thumping*] countries like Jamaica that is before the IMF.

No details whatsoever. According to them next door, give us the key to the bank and trust us to be prudent, after all we are the PNM, we are in charge now, and who “doh” like it—as a previous leader said—could perhaps get the hell out of here. Mr. Deputy Speaker, I do not trust the PNM; they have taken us to the IMF before. They have wasted billions on CHOGM and Summit of the Americas conferences, and on Lock Joint and on Tesoro, and on gas-to-liquids, and gas

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optimization projects. For example, Mr. Deputy Speaker, we are paying billions in rent for accommodating government offices, yet they have underutilized space in the Government Plaza on Wrightson Road, exorbitant rents paid to, perhaps, financiers of the party, possibly as payback for services rendered; cut back on the rent before you enter into a borrowing situation.

6.45 p.m.

You have the Ministry of Agriculture, Land and Fisheries about to occupy new offices in Chaguanas, yet paying enormous rents. Will the moneys borrowed be used to pay for accommodation and, if so, how much, and can this be reduced? We are not told how we propose to repay this debt. What are the proposed new revenue streams? The worst thing we can do, Mr. Deputy Speaker, is to borrow to fund past debt or to fund consumption. Any sensible person knows that if you want to have a sustainable future, you borrow to fund investments so that your future would be better.

They talk about increased VAT payments as a new source of revenue, but have not yet collected one black cent of increased VAT revenues. We are told simply, “Wait till January”.

We are not told that this debt they are about to borrow, the \$50 billion debt, is almost equal to our entire foreign exchange reserves. Our foreign exchange reserves are estimated at US \$10 billion, approximately TT \$60 billion. If they borrow the entire \$50 billion, we will simply have no money after they deplete that borrowed money. The PNM would have the unenviable record of borrowing the equivalent of our entire savings. Any prudent person knows that you do not get in a situation where you borrow your savings.

We are not told how this would impact on our credit rating by Standard & Poor’s, Moody’s and others. We are not told about the impact of a negative rating on both our capacity to borrow and the interest rates we will be required to pay. It is instructive—I am quoting from the *Trinidad Express*, dated April 21, 2014. They talk about our expenditure and our wastage and our mismanagement, but Moody’s, and I quote:

“Moody’s noted too, ‘The sovereign credit profile also benefits from an affordable debt burden and a very strong external position anchored by a sizable foreign exchange reserves buffer’.”

That is what they said about us when we were in government. It went on—Moody's:

“The organization classified Trinidad and Tobago's strength as ‘very high’ due to its relatively moderate debt burden and comparatively high debt affordability.” [*Interruption*]

Mr. Deputy Speaker: Members, please. On both sides I am hearing some little murmurs.

Mr. R. Charles: Thank you very much, Mr. Deputy Speaker.

We are not told on what this money will be spent. Is it on investments and if so, which investments? The revenue streams from these unspecified new investments, are they to fund consumption or are they to “gallery” on vanity projects like the rapid rail, estimated in a prefeasibility study to be close to \$60 billion? We are brought here in a budget debate to be told that we are still paying annual interest on the rapid rail prefeasibility study.

We are left in the dark regarding the management of our debt profile, and whether or not repayments will be managed in such a way that they are not bunched together to cripple future governments. Smart governments, like the Government of India, plan their short-term repayment schedules not to clash, not to be bunched together, so the economy could be crippled in particular years. You sequence your payments so that in each year you would have enough resources to deal with your payments.

We are not told what will be the impact of this debt, having regard to the fact that interest rates in the United States are expected to rise later this month. If interest rates climb, “we dead”.

I read from an article in *USA Today* dated December 02, 2015, which is this week in the United States. It says:

“Federal Reserve Chair, Janet Yellen signaled Wednesday...”—that is two days ago—“that the Fed is all but certain to raise interest rates this month for the first time in nearly a decade, saying that gains in the economy and labour market have met the central bank's goal.”

This is the Federal Reserve Chair in the United States.

“Her comments at the Economic Club of Washington amount to the strongest indication the Fed has provided so far that it will take action at the December 15-16 meeting.”

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What this means for us is that as the American Government increases interest rates, moneys will leave Europe and leave other countries and head to the United States to take advantage of those high interest rates. Other countries in order to compete will have to increase their interest rates, so moneys will also be attracted to them. It means that we are moving into a high interest rate scenario starting from January next year. This is the worst time to borrow. [*Interruption*]

Mr. Deyalsingh: “So what to do?”

Mr. R. Charles: I will give you later on.

In the last decade interest rates were at zero, so it made sense, as part of your long-term strategy to borrow. But without taking these into consideration, without analysing the impact of increased interest rates, we are heading into a situation without being given the total picture, and that is the problem I have.

All of us went to school, all of us can read—although some on that side feel that they are better. The point is that once you put the facts on the table, we are prepared to join with them in the interest of the citizenry of the country. But you cannot come here with your first option to borrow \$50 billion. We do not know what we are spending it on, except some debts that they have indicated to us, with no idea of the revenue streams that will deal with those debts, in an economy that is a commodity economy, where prices of commodities are likely to drop. Mr. Deputy Speaker, this means that the interest on our debts is most likely to raise, and leave succeeding governments with repayments which could well mean that on every dollar of tax revenue received, more than half will go to debt repayments, especially if interest rates rise.

A colleague of mine spoke about the generational burden. We will be borrowing and risking the future of our children and grandchildren, because of the profligacy and the fact that this Government cannot think any other alternative but to borrow. Will our children be saddled with our debts? Kick debt payments down the road for our grandchildren, that is what the PNM spent five years in Opposition thinking, and the plans they are coming up with. Is this their best shot?

How does all this play into intergenerational equity? You have countries like Norway that every cent of oil revenue goes into a sovereign fund. It is said that Norway can cease to tax anybody or get increased revenues. They can live on their investments. We have the Heritage and Stabilisation Fund, and that is a credit to our country. But we left them a low debt profile, a manageable debt profile, and my fear is that we are just passing the buck to the next generation.

The policy appears to be borrowing to the max, tax everything in sight, spend and at the same time blame Kamla and the past PP Government for every lack of thought and lack of vision decision that they have; leave other generations to pay.

I ask the question: Why should my taxes be used to pay annually for a prefeasibility study which has brought absolutely no benefit to the citizenry of this country? I ask the question again: Why should future generations be paying \$90 million for a Tarouba stadium, when less than half a mile away is an underused Mannie Ramjohn Stadium? Wasting money! I have no problem with you spending money on laptops and education and getting the next generation ready for a knowledge-driven future. But wasting money on a Tarouba stadium, and we are only told that it is \$90 million; it could be much more. Why are all of us being asked to pay for their vanity projects?

What is the repayment plan for this \$50 billion, in the context of reduced energy revenues and the likelihood that energy prices will not increase? Mr. Deputy Speaker, right now in Paris there is the climate change conference attended by President Obama and more than five Prime Ministers from the Caribbean. I was at the UN, part of that plan is to change the future into a non-fossil fuel generated future. You know what they are doing to us in Trinidad? They may make decisions there that would bind us in future just as they did with HCF, and when they planned that with the ozone layer.

If they declare globally that the technology we have in Point Lisas is outdated, taxes could be put on us for that. And if they do that and we are not there and our leadership—I understand that we are not well represented. The United States would have 40 and 50 technocrats of the highest level negotiating, and my understanding is that at least at the level of the leadership of the PNM, we were not there in Paris. Obama could see it fit because he understands the future, he understands vision and he understands how he needs to position the United States to be a leader. And what we are doing is creating a debt for a generation, and that generation may inherit an outdated, antediluvian economy. And we are expecting them to pay for our profligacy.

I was listening to the BBC, and a ticker tape said that yesterday there was a glut of oil; \$2 billion of oil in the petroleum market. There is a slowdown in Europe as we speak. The economies are growing by less than 1 per cent. In Japan they are in recession. China has had to recalibrate its projections for growth from 10 per cent to 5 per cent. And those are actions, and those economies' situations, or realities, will translate into reduced demands for commodities.

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We are told that the United States is poised to become one of the largest exporters of oil and gas. We are told that our steel plant at Point Lisas is uneconomical and employees have been told to take all outstanding leave. Others in the Point Lisas Industrial Estate may be revising their plans, either as a result of reduced supplies of natural gas—and the Minister of Energy and Energy Industries can speak to that better than I—or because of reduced global demand for their commodity products. [*Interruption*]

Mr. Deputy Speaker: Member for Naparima, are you quoting from a document?

Mr. R. Charles: In respect of the—

Mr. Deputy Speaker: You are quoting some statistics. If you are quoting from a particular document, could you give us the source please?

Mr. Rodney Charles: The slowdown in Europe and Japan, that is from *The Economist*. I will get the date of the publication. But it is a fact; it is accepted that the European economy is in a slowdown.

Not only are energy prices likely to be considerably lower in the future, but our mature oil and gas reservoirs mean that we may not have the oil and gas to finance our recovery or repayment schedules. Should our first option instead of borrowing to finance a lifestyle which we cannot afford, not be to cut our cloth to serve our revenue and income situation? Common sense, I am told, beats book sense any day, and any smart housewife knows how to cut and contrive. In fact, that is one of the reasons I am told that Baron says he likes Spanish women. They like to cut and contrive.

When money is tight, not the PNM—let the good times roll; God is a PNM. We do not have to be smart, since somebody will see us through the hard times. We have been this way before.

7.00 p.m.

We blew the petro dollars of the oil boom of the 1970s— those of us my age group can remember that —and ended up in the bowels of the IMF. Our Caribbean colleagues laughed at us. They say “Trinis” have plenty dollars and no sense. In the 1980s we all—I had to take salary cuts. It was 10 per cent for all managers at National Petroleum where I worked. We had to accept back pay in the form of delayed tranches and government bonds. The country had to lay off staff and ration foreign exchange. We had to do without medical supplies and essential

goods and all this led to a coup against a sitting government. All of us know the banks “not easy” when you cannot pay loans. I have had stories. I was an intern at—[*Interruption*]

Mrs. Robinson-Regis: How you remember those days?

Mr. R. Charles:—the World Bank and one of the complaints that they had was that Third World Finance Ministers would go up there and little technocrats under 30 would be reading the riot act to foreign Ministers. We do not want to get into that situation.

Before, Mr. Deputy Speaker, we had a PNM Minister of Finance—I believe it was Mervyn De Souza—who told us when we were overflowing with US petro dollars in the 1970s that we needed to borrow, “to establish a credit rating”. Such is the historic addiction to borrowing.

The PNM complains that they inherited debts from the past People’s Partnership Government, that they have met an empty Treasury. Everybody on this side “tief”. PNM apologists on radio talk shows were even saying that the budget this year should have been \$40 billion, the remaining \$20 billion was corruption. Eliminate corruption they said and we only needed \$40 billion to run the country. We now know that the PNM not only needs the budgeted \$60 billion, but also seeks access to borrowing \$50 billion more. [*Desk thumping*]

We met challenging circumstances when we came into power in 2010, worse than they claimed to have met now. There was Clico debt at \$11 billion. They have not yet identified all the things we have heard from all the Ministries have not yet come up to \$11 billion. [*Crosstalk*]

We had the Hindu Credit Union debt at somewhat less. We inherited \$7 billion owned by contractors. We had unpaid expenses in the billions linked to 83 outstanding wage agreements left behind by the previous PNM Government. [*Desk thumping*] The country had experienced two consecutive quarters of negative growth defined by some as a recession.

I read from an article published in the *Trinidad Express* dated December 07, 2010, claiming “the debt dilemma”. The *Trinidad Express*—to give an idea of what we met when we came into power, and it says:

“There has been increasing concern about Trinidad and Tobago’s debt situation recently, especially amid ongoing tense wage negotiations with public servants.”

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And it goes on.

“The effect of agreeing to the PSA’s proposal would be to increase...”—
[*Interruption*]

Mr. Deputy Speaker: One second. Member for Arima.

Mr. R. Charles: Thank you very much, Mr. Deputy Speaker.

“The effect of agreeing to the PSA’s proposal would be to increase the 2011 projected budget deficit by some \$4.9 billion to a total of \$12.6 billion.”

But it goes on to give an idea of what they left us.

“Confidence within the economy is shot...”

Just quoting.

“...with unemployment prices on the rise. Indeed the latest Monetary Policy Report issued by the Central Bank of Trinidad and Tobago revealed...”

—and this is important—

“...that almost 25,000 jobs were lost in the country between 2009 and 2010.”

The year before we came in 25,000 jobs were lost.

“Central Bank Governor Ewart Williams stated the current weakness in the economic activity was accompanied by a sharp increase in unemployment and a surge in headline inflation.”

Inflation then was 12.5 per cent. That is what they left us. They come like saints. We are terrible and we spent and whatnot.

They left us this: where the Governor of the Central Bank Ewart Williams said that the economy was in shambles. That is what we inherited. [*Desk thumping*] But, Mr. Deputy Speaker, we do not cry foul. We do not look for sympathy. We do not repeat a mantra over and over hoping that the population would believe the falsehood. [*Crosstalk*] We did not seek to “buss” the Treasury. We took immediate steps to stabilize the economy without recourse to raising the debt ceiling to figures which we are asked to agree to today. We are more prudent managers. All of us, not only the PNM, must worry about increasing our debt profile.

We have been told so in the February 2013 IMF report entitled, “Caribbean Small States: Challenges of High Debt and Low Growth”. And it identified some challenges. And do you know it is interesting reading:

“Interest payments on the existing debt stock in the most highly indebted countries with rising debt ratios are already in the range of 16 percent to 41 percent of total revenues.”

It goes on:

“Between 1997 and 2004 the average debt to GDP ratio in the region increased from 54 per cent...”

Now, we left them at 46 per cent. They are going to carry us to 65 per cent. So they are saying that is cause for worry. This is not Rodney Charles talking. This is the International Monetary Fund saying we have to worry when we get between 54 and 84 per cent driven mainly by deteriorating primary balances. It goes on. And they talk about:

“These vulnerabilities originated from a strategy of increasing public spending to counteract declining trade performances...”

And it says:

“As a result, the ratio of public debt to GDP increased by...15 percentage points between 2008 and 2010.”

Ours is moving from 46 to 65 and we are happy on the other side. And all the indicators tell us, hold it; it is time for concern. And it goes on to say:

“Further, because of their middle income status,...”—we are high income—
“the majority of the region has not been able to benefit from international debt relief.”

When I was in the United Nations and we would try to get Trinidad and Tobago to access loans, we were told we were out of the picture. They were concerned with places like Haiti and Chad and Somalia and whatnot because we, as far as they were concerned, we are a highly developed country.

And a final point in this document. They talk about reducing the high public debt is crucial.

“Reducing the high public debt is crucial. This is not only because of the risk of a fiscal crisis, but also because of the cost debt imposes on the economy—keeping borrowing cost high, discouraging private investment and constraining fiscal flexibility.”

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So we are headed at the cusp of the slippery slope towards a difficult future under that Government that we expected to come up with great ideas and alternative options to take us into the 21st Century.

So we have some challenges, structural fiscal problems have resulted in sizable accumulation of debt. The global financial crisis has worsened the already high debt burden in the Caribbean. We have to worry about the global slowdown of economies.

What are the alternatives—I was asked by a Member—for borrowing? You see for a number of friends that I have, the first option is to borrow. And you will tell them sometimes, it is better sometimes to sit back, assess, analyse and move forward. Do not go into the debt situation.

So what are the alternatives? A full understanding of our debt situation is necessary. We need a precise figure, really a precise figure. That is one. Call all parties: trade unions, contractors, NGOs, the churches, to discuss how we will handle the debt having regard to our revenue situation. People are prepared to understand. People love this country. [*Crosstalk*] We are prepared—[*Interruption*]

Mr. Deputy Speaker: Go ahead.

Mr. R. Charles: Thank you very much. People are prepared, once they know the situation, to reduce their demands on the State. I, as a citizen of this country, will be willing to accept my share of the burden if I am sure that others are sharing the burden, but that requires a consensus and a discussion, brains, intellect and patience, Mr. Deputy Speaker.

The third one, and I will tell it to them—is to cut out waste, mismanagement and corruption. Corruption! That is your mantra, but let me read the *Trinidad Express* dated—it is in 2010.

Mrs. Robinson-Regis: Where?

Mr. R. Charles: I will get it. Sorry. It is at the bottom—I will get it. Right. It is Mark Fraser is the author. And he says:

“More than \$127 million of taxpayers’ money has been lost following the sale of four water taxies that were purchased under the People’s National Movement administration—including the controversial MV Su that was never used.”

Which was never used. I will get it.

“Documents obtained by the Express showed that \$55 million was spent to buy and repair the MV Su which has been sold for \$548,800 for scrap iron.”

So when they get sanctimonious on the other side—right—there is waste management and corruption. And my colleague from St. Augustine made the point that there are people and predators who survive by being involved with political parties, and hence as citizens we need campaign finance reform. We need also to have procurement legislation in much the same way that my colleague from Caroni Central mentioned when he said:

Be it further resolved that for the sake of protection of public interest that no new procurement be facilitated by borrowings made possible by this resolution be effected until a new more transparent procurement law is fully in effect.

This is any citizen who has the country’s interest at heart would welcome such an amendment. So we talk about—third point—cut out waste, cut out mismanagement and cut out corruption.

Fourth point I have here and I repeat it. I said it before—pass the procurement legislation before accessing one cent of that \$50 billion.

The fifth point is—manage our foreign exchange better. I said it at the budget debate that they see it as a process problem, that if we go back to the past, somehow it would be resolved.

The problem with our foreign exchange is a supply problem. If you do not have foreign exchange and if we all suspect that there is a dwindling quantum—and as I suspect our \$50 billion is mortgaged against our foreign exchange—everybody smart and they will try to get as much as they can, instead of waiting when they need it. If I have the suspicion that if I want to go, for Carnival, on a cruise ship and I cannot get the foreign exchange then, I will go for it now even though I do not need it.

We need to eliminate capital flights and monitor the profits of banks. I keep reading reports about millions of dollars’ profits. And where does that end up?

And if we give them first lien on foreign exchange, we use them, where do you think that is going?

When I was in the 60s we used to talk about the commanding heights of the economy should be only—*[Interruption]*

Mr. Deputy Speaker: Hon. Member, you have 10 more minutes.

Mr. R. Charles: Thank you very much. It was Eric Williams' *Perspectives for a new Society* that spoke about the commanding heights of the economy must be controlled by citizens.

It was under the last PNM administration, they sold two banks in a way that foreigners now control it. So we now have RBC—[*Interruption*]

Mrs. Robinson-Regis: What two banks?

Mr. R. Charles: We have RBC and we also have Scotia Bank and those are—[*Crosstalk*]

Mrs. Robinson-Regis: We never sold two banks.

Mr. R. Charles: They were sold during their time. In the same way that when—under Eric Williams—they were acquired. So that he took leadership in that situation.

7.15 p.m.

The other point, Mr. Deputy Speaker, is to incorporate our diaspora in our development programmes. I have a report from the Government of Kenya and they are very much—they are incorporating the diaspora in their development future, so that you can have access to money. There are many Trinidadians when I was in New York—in fact, in New York and the tri-state area it is estimated that we have close to 500,000 citizens living in that area. If our population is 1.3 million, we have 500,000 outside, it very well means that one in three Trinidadians, and they have access to dual citizenship, are citizens of this country. Some of them want to invest here. Some of them want to invest here, and they would tell you the headaches they get when they want to invest, and when you look at countries like India, when you look at countries like Israel, when you look at countries like Kenya, they develop. Rather than borrow, they develop systems and processes to encourage the diaspora to invest.

My seventh recommendation, borrow as a last resort, not as a first option. And the eighth point, manage our debt profile. The very last point is to reduce the size of Government. If we borrow and the Government becomes too much involved in the economy they are going to crowd out the private sector. They are going to crowd out the private sector. So, we are faced with options. We have not only to live for ourselves, but for future generations. My suggestion to those outside [*Interruption*] although they would not listen because they are in charge and that idea—the point is that borrow as a last resort.

I thank you.

The Minister of Health (Hon. Terrence Deyalsingh): [*Desk thumping*] Mr. Deputy Speaker, between Wheel of Fortune and Jeopardy, [*Laughs*] I really do not know where to start.

Mr. Deputy Speaker, when one spins the wheel in Wheel of Fortune sometimes it comes up bankrupt, and that is what they did to this country. [*Desk thumping and laughter*] They spun the wheel and they set it on bankrupt; that is why we are here. But I wish if after the Minister of National Security had spoken and they spun the wheel again and it came up “miss a turn” we would not have been subjected to the Member for Naparima. [*Desk thumping*] I mean, what an amazing contribution.

Mr. Deputy Speaker, we may have young children who just listened to the Member for Naparima, and there are a couple of points that just cannot be left unanswered, because they may think that what the Member for Naparima said is the gospel truth. He said we sold two banks, and when in crosstalk we asked him which two banks did we sell? He said Royal Bank and Bank of Nova Scotia. Could you imagine how inaccurate those statements are? Those are two publicly traded companies on the stock exchange. We operate a capitalist free-market economy. Would you have stepped in as a Government to stop the sale of RBC? What is going on? What emanates from the mouth of the Member for Naparima? [*Interruption*] And then he goes on to say, we should decrease the size of Government. When they are the ones who have had the most bloated Government in the history of The Commonwealth. [*Desk thumping*]

Mr. Deputy Speaker, many of us now have the honour of serving in Cabinet, and when we go to the Cabinet room, the 23 of us have a seat.

Mr. Al-Rawi: Barely.

Hon. T. Deyalsingh: Barely have a seat. I wonder where you all used to fit 33 people in that same room? Where did the extra 10 people sit?

Mrs. Robinson-Regis: They used to be in and out, in and out.

Hon. T. Deyalsingh: My understanding is many of them were just outside the Cabinet room with nothing to do, and this Member for Naparima is now advocating a smaller Government when anytime one of your former Members decides to stop eating roti and go and fast you give him a Ministry.

Mrs. Robinson-Regis: Exactly. [*Laughter*]

Hon. T. Deyalsingh: That was what transpired less than two years ago. “Ah goin to fast, ah vex with yuh, ah give yuh ah Ministry.”

One of your former Members in an attempt to start the Point Fortin Highway threatened to walk, and what did your Prime Minister do? Find \$200 million to give to that Minister to pacify him so he would not walk, and that is why that Point Fortin Highway was never funded by long-term debt financing with no proper procurement that the Member of Parliament for Caroni Central has the unmitigated gall to talk about. And you fund the biggest infrastructural project in the history of Trinidad and Tobago out of the current account. [*Desk thumping*] Because a Member of Parliament of your side threatened the Prime Minister, “I will walk if I do not get that project started”. So, the Prime Minister gets threatened with the highway, I find the money and we fund \$7 billion from the current account. Another Member of Parliament threatens to walk, he goes on a fast, he talks to his creator, he gets a Ministry, and you have the unmitigated gall to talk about bloated Government. My God!

Mr. Deputy Speaker, I am here to talk about this. When you came to increase the borrowing limits, did you consult with any religious organizations? When Mr. Dookeran came to increase it, who did he consult with? Which pastor? Which pundit? Which imam? Which priest? Which labour movement? Which NGO? My, this is incredible. But, he goes on and he speaks about the PNM, and the PNM this. Let me inform all little children listening to this debate, every single infrastructural and social development project that has this country where it is, is as a result of PNM policy. [*Desk thumping*] You fed up hear about Point Lisas? Fine! When we were going to set up the National Insurance Board, that was PNM policy; we set up Unit Trust, that is PNM policy; all the schools in South and Central Trinidad where you all went to was set up by Dr. Eric Williams in those days. Every single school that you got your secondary education. All your daughters and sons who are now accessing GATE and studying medicine and law is because of Mr. Patrick Manning. Every single major project, the University of Trinidad and Tobago, a PNM project; the medical school which you just lauded the hon. Kamaluddin Mohammed, was a PNM project; and when you go to St. Augustine campus I want you to tell me who goes to those universities. Who attends that university? All citizens of Trinidad and Tobago.

But, Mr. Deputy Speaker, I want to take this country back just a couple years. They are talking about energy; it was on March 30, 2012, because Members opposite say that we say “God is a Trini and PNM says God is a Trini”, let me remind Members opposite, it was on March 30, 2012 when we had this hoax called the Jubilee field, 48 billion barrels of gold, and Mr. Kevin Ramnarine stood in this Chamber and the other Chamber with two jars of oil and Kamla Persad-Bissessar said “God is a Trini”. You remember that?

Hon. Member: Yes.

Hon. T. Deyalsingh: And the oil will flow.

Mr. Singh: Hon. Member for Siparia.

Hon. T. Deyalsingh: Hon. Member for Siparia—I apologize—said “God is a Trini”, that 48 billion barrels of oil will flow and the streets will be paved in black gold, and that oil will flow in one year. We said it could not be done. That was in 2012, it was named for Jubilee because we were celebrating our Jubilee Anniversary of Independence. And Kevin Ramnarine said that when we consider 48 billion barrels of oil from Jubilee and the Bayfield find, all will be well. Do you know how much oil has flowed since then from those fields?

Hon. Member: None!

Hon. T. Deyalsingh: None! But let me tell you what the Member for Siparia said back then, how she would use this money. Mrs. Persad-Bissessar, hon. Member for Siparia, said of the find, and this is in a *Guardian* article, March 30, 2012:

“‘What does this mean for the man in the street...In a phrase, ‘better times in the best of initiatives that will benefit you’. She said the historic discovery of oil reserves comes at a time of high oil prices on the global market and augured well for T&T in several ways. The Prime Minister said the activity would derive several significant benefits.’”

That is what was going on in this country. God was a “Trini”, according to the Member for Siparia.

But, another untruth perpetrated on this House today, Mr. Deputy Speaker, and it came from a notice of amendment of the Motions brought by the hon. Member for Caroni Central, and listen to the unmitigated gall of this amendment:

Be it further resolved—et cetera, et cetera—that by this resolution not be effected until a new—these are not the words of the PNM, eh; these are the words of the procurement specialist, the Member for Caroni Central—should not be effected until a new more transparent procurement law is fully in effect.

What is he saying, that the procurement law he passed was not transparent and was not in effect? [*Crosstalk*]

Mr. Deputy Speaker: Members! Members!

Hon. T. Deyalsingh: Are you saying that your own procurement law is not transparent? That is what you are saying. [*Interruption*] And this is the same Government who could not dispose, of Invaders Bay. We had to cajole, ask, where is the legal opinion that said that you could have bypassed the Central Tenders Board. We could not get it. It was a secret.

Mr. Imbert: It does not exist.

Hon. T. Deyalsingh: Does not exist. Tell me Sir, tell me Member for Caroni Central, tell me Member for Naparima, what procurement measures did you put in place when you procured a man to provide \$35 million worth of school supplies under the LifeSport Programme and we got nothing for it? And the whole LifeSport is \$500 million, and the only thing tangible to come out of LifeSport is murder. Murder most foul. That is your heritage; your heritage. LifeSport \$500 million and the only thing you have to show for it are 11 people incarcerated somewhere with a murder charge hanging over their heads. That is in the public domain. I say no more. LifeSport was meant to be a private militia to help in an election.

Hon. Member: I do not know that.

Hon. T. Deyalsingh: Of course you do not know that. Every time you spin the wheel it comes up bankrupt. Bankrupt of ideas and bankrupt of money.

Mr. Deputy Speaker: Hon. Member for St. Joseph, please address the Chair.

Hon. T. Deyalsingh: I apologize, Mr. Deputy Speaker. What procurement processes were used in the procurement of that Beetham waste water project? Four hundred million dollars more than the other one, and now they say they under-priced it, and we have to hear an amendment passed until there is a new more transparent procurement law fully in effect. What transparency was used when the cost of procurement of furniture to equip One Alexandra went up from \$21 million—

Mr. Imbert: To 77—

Hon. T. Deyalsingh: Wait! It went from \$21 million to \$40-something million, to \$77 million. What procurement was in—and who got the contract? But the Member for Caroni Central speaks about procurement.

7.30 p.m.

Mr. Deputy Speaker, let me tell you what this Government inherited. In 2009/2010 Standard & Poor's in a press release dated September 14, 2009, had this to say:

“...Although Trinidad and Tobago's bailout of the CL Financial Group could cost up to 6% of expected 2009 GDP, its solid fiscal and external position support its policy flexibility.

...it affirmed its 'A/A-1' foreign-currency and 'A+/A-1' local-currency sovereign credit ratings...

The outlook is stable.”

Let us fast forward five years under the leadership of our friends opposite. So we moved from 2010 to April 30, 2015, “Moody's downgrade”. You want to know why we have to borrow. This is why we have to borrow.

Moody's Downgrade. They cited three pillars, three reasons why our economy was downgraded.

“1. Persistent fiscal deficits and challenging prospects for fiscal reforms.”

That is what we inherited. We do not have the time, Member for Naparima, to speak to members of religion. We have to act now and act swiftly and the Minister of Finance is to be congratulated for acting swiftly. [*Desk thumping*] It spoke, second pillar:

“2. Decline in oil prices and limited economic diversification...”

This was a pillar that Caroni Central built his—

Mr. Hinds: PR.

Hon. T. Deyalsingh:—PR on in his Medium Term Policy Framework. No economic diversification, and it weighs heavily on economic growth prospects. But, when you go back to Mr. Howai's presentation in this Parliament on November 22, 2013, on the Treasury Notes Act, increase in borrowing, this is what Sen. Howai has to say:

“So I think that going forward we expect to see a significant improvement in the energy sector...”

Never happened.

Whilst in Opposition, both the Member for Diego Martin North/East and myself, when we sat across there, would always ask this Government, tell us truthfully, what percentage capacity is Point Lisas running at? Because our

information was and it turned out to be correct, that that Government hid and hid and conspired to hide the gas shortage going into Point Lisas. [*Desk thumping*] And we always asked them, this Mitsubishi project: One, where is the gas coming from and what price? On top of the fact that you could not supply Point Lisas with 100 per cent gas. And this is what Larry Howai had to say, former Senator:

“So I think that going forward we expect to see a significant improvement in the energy sector...”

Remember God was a Trini when the Member for Siparia said 48 million barrels of oil and coupled with the dynamism that we are seeing, in the non-energy sector. What dynamism in the non-energy sector? We were downgraded by Moody’s because there was no dynamism in the non-energy sector. Downgraded. Why else were we downgraded, which brings us why we are here today. You think we are here today because we want to borrow. It is because you all have left us with no choice but to borrow. And what was the third plan as to why Moody’s downgraded us and this is the big one, because Caroni Central built his political fortunes over the past five years talking about policy frameworks, and they quoted:

“3. Weak macroeconomic policy framework given lack of a medium-term fiscal strategy; and inadequate provision of vital macroeconomic data.”
[*Desk thumping*]

And who was the Minister of Planning and Development with responsibility for the Central Statistical Office the Member of Parliament for Caroni Central. So all these three pillars as to why Moody’s downgraded us, Mr. Deputy Speaker, lies at the door of the Member for Caroni Central. [*Desk thumping*] Firmly at the door.

But let us expand a little bit more, Mr. Deputy Speaker, on why Moody’s downgraded us and why we are here today. On the third driver as to why we were downgraded, it said the macroeconomic institutional capacity, including fiscal and monetary policy frameworks are weaker than those observed in other investment rate pairs. It talks about an absence of Medium-Term Fiscal Framework coupled with a lack of debt management strategy representing important policy shortcomings. That is the doyenne of policy across there, the Member for Caroni Central. He wrote a whole treatise bound in green called the “Medium-Term Policy Framework”, and Moody’s downgraded us. No data, emasculated the CSO. And that is what we have to deal with. That is why we are here. But, what is, on the back of this downgrade, what happened? We had no heed of the warning, but

what we discovered is wanton waste, wanton greed, wanton corruption, mismanagement and an orgy of election spending. Mr. Deputy Speaker, that is why when the hon. Minister of Finance, this one, came into office he found an overdraft that had, how many days left to run the country?

Mr. Imbert: Two days.

Hon. T. Deyalsingh: Two days left, because there was this orgy, toga-clad men and women in an orgy of spending, eating grapes and drinking wine. Drinking away our patrimony. To quote the Member for Naparima, drinking away the commanding heights of the economy. Toga-clad men and women in an orgy of spending, in an orgy of eating grapes—

Hon. Member: “I doh like that visual.”

Hon. T. Deyalsingh: “Yuh doh like that visual?” And you left the country broken. You left the country broken, morally bankrupt, and financially bankrupt. That is what you did. You could not run the country for more than two days, two days. But coupled with that, whilst you were hiding the true state of the economy as the hon. Member told us, you found the one piece of legislation that you did not have to—

Mr. Imbert: Statutory Authority.

Hon. T. Deyalsingh: Yes, and we could just borrow—[*Interruption*]

Mr. Imbert: Eleven billion.

Hon. T. Deyalsingh: Eleven billion. But coupled with that, in an effort to hoodwink the population they relied on worn off cash flows to say how wonderful they are. So they sold the FCB shares, which was a good thing, nothing is wrong with divestment, but if you use it to mask your inefficiency we have a problem with that. The NGC special dividend, well they treated NGC like their piggy bank, \$14 billion you said? Fourteen billion dollars that you raided the NGC, these toga-clad drunken people raided the NGC’s coffers—[*Interruption*]

Mr. Singh: Mr. Deputy Speaker, he has to withdraw that remark.

Hon. T. Deyalsingh: I withdraw it.

Mr. Hinds: He meant drunk with power.

Hon. T. Deyalsingh: I withdraw it. You tried to mask the plunder and pillage that you engaged in of NGC. But—so you want to know why we are here today. So when you consider \$7 billion for the Point Fortin Highway that you should

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have financed by long term debt financing, a half of a billion for LifeSport; \$900 million for this famous A-Team to go after PNM corruption and what PNM corruption did you find. In five years—

Mr. Imbert: One billion.

Hon. T. Deyalsingh: One billion dollars you spend to go after corruption in five years. Tell me one case that is before the DPP or before the courts and you “eh” borrow a cent for that, right. Beetham, just those four things alone, Mr. Deputy Speaker, adds up to \$9 billion. And the Member for Naparima wants to know why we have to borrow. [*Crosstalk*] Ten billion dollars.

So in the course of the debate today, the Minister of Finance raises \$20 billion in debt. The Member for Port of Spain South: one company in one Ministry, \$10 billion. The Minister of National Security; one Ministry, \$10 billion. Twenty, plus 10, plus 10, is \$40 billion and they want to know why we are here today, why we are borrowing and they want more details. The details are to be found in the mirror in Rienzi Complex. [*Desk thumping*] Look at it, look in the mirror and you will see all the details. And by the way, why you all are renting there still?

Anyhow, but, Mr. Deputy Speaker, whilst you had this orgy of spending, do you know what happened and we kept asking them, where are your new revenue streams? Not one single new revenue stream was brought in between 2010 and 2015, not one new revenue stream, right. But on the expenditure side you all were magnificent. No, I have to give you credit. I have to give you credit. You all know how to spend money. “I mean, all yuh win. Take win fuh dat.” They could spend. But not one single new revenue stream came on to the books between 2010 and 2015, not one. [*Desk thumping*] Not one.

Mr. Hinds: “You mean they milk the cow and dey eh even give it grass.”

Hon. T. Deyalsingh: Not one. [*Laughter*] So we are here today—[*Laughter*]

Mr. Hinds: Is that what you mean?

Hon. T. Deyalsingh: Yes, yes, I mean that. Say it. “Dey are milking the cow but dey eh giving the cow no grass.” They just milk the cow dry. Feed the cow a little bit, “nah” so you can make some more milk, do something. “Doh kill the goose that lays the golden egg. All yuh take all the golden eggs and kill the goose.” Oh my Lord. Mr. Deputy Speaker, that is why we are here today.

This last administration maxed out every single source of funding. They maxed out everything. What did they max out? They maxed out everything under

the Development Loans Act which stood at \$20 billion in 2008 was increased to \$30 in 2000 and limit and the last administration increased it under \$28. So we had no choice. A similar picture exists with the External Loans Act. You maxed it out. What did you max out again? We should probably called them “Max”.

Hon. Member: Nah, nah.

Hon. T. Deyalsingh: Nah. Again, a similar picture exists with the borrowings under the Guarantee of Loans (Companies) Act, right. [*Crosstalk and laughter*] So you maxed out every single thing. So we have no choice but to borrow. But, Mr. Deputy Speaker, you know, I have heard almost everybody on that side who contributed today speak about the forex situation, the foreign exchange situation. We had a forex situation in Trinidad and Tobago that worked magnificently for 21 plus years. [*Desk thumping*] Nobody was complaining. Wendell Mottley started that. You had Governors of the Central Bank who never made any fundamental policy shifts in it, because you know why, it was working. It was serving the needs of Trinidad and Tobago well. Importers were happy, exporters were happy. You could go to the bank and buy your magazine for US \$5, right. You could go on vacation and get some money and go up to New York, wherever and do your little shopping. Who in a fit of lunacy changed the forex allocation system and why?

7.45 p.m.

You see, governing a country is not luck and chance. You do not spin a wheel and hope for the best. It is deliberate, and you all took a deliberate choice to take a forex system that was serving this country admirably for 20 years, corrupted the process and we have a crisis today, and the Member for Naparima has the unmitigated gall to come and ask us why we are here to borrow. Did the Governor of the Central Bank consult with any pundit, imam, priest, labour, NGO, to change the forex system?

The Minister of Finance stood there in seat number seven and said “we do not have a crisis, we just have tightness”. He said that here: “we doh have a crisis, we have tightness.” I was sitting down where the Member for Caroni Central is now. Mr. Howai was sitting where the Member for Arima is now. “We doh have a crisis.” Well, tell that to the importers who cannot get foreign exchange; tell that to the man who wants to buy foreign exchange to pay his school fees for his child abroad. Tell that to them, that there is no crisis. Tell that to them. Tell that to them. Tell that to the importers who cannot import and who have to lay off people now because they “doh” have goods to sell. Right?

So we have to change all that. And one of the first things that this Minister of Finance did was to reverse that old policy decision.

Hon. Member: That is right. [*Desk thumping*]

Hon. T. Deyalsingh: But you created such a problem, it will take some time and I have all faith in this Minister of Finance that the problem will be solved. [*Desk thumping*]

So let us talk a little bit now about other matters. The Minister of Finance spoke about \$5 billion committed for hospitals. Now, one would say, why would we raise that as a flag? It is not that we do not want to build hospitals, but there is something called value for money; there is something called having a proper agreement; there is something called having proper financing in place. [*Interruption*]

Mr. Imbert: There is something called procurement.

Hon. T. Deyalsingh:—procurement. And what came out of the finance committee meeting after the budget when the Minister of Finance raised an issue of why he is seeing \$390 million to pay for the Couva Children and Adult Hospital if there is this loan arrangement—and up to today we have not had a satisfactory answer from that side about that \$390 million—none.

But let me tell you something. Since becoming Minister of Health, the last government committed \$5 billion to three new hospitals. No problem. But when I visited the Mount Hope Women's Hospital and was given a tour of the delivery room, you know what I found? A delivery table—and this is going to shock the country. The last government committed us to \$5 billion to build three new hospitals.

Mr. Imbert: Five thousand million.

Hon. T. Deyalsingh: That is \$5,000 million. So I go into the Mount Hope Women's Hospital and the delivery bed is there. The nurse says: "Mr. Minister, I want to show you something with this bed". She says, "You know how we have to adjust this bed up and down? There is a peddle and they have to pump it up." Okay, "nuttin wrong wit that". But to adjust the head and the foot go up and down, the handle to crank it is broken and is being held together by masking tape.

Mr. Imbert: Masking tape?

Hon. T. Deyalsingh: Could you imagine that?

Mr. Imbert: "Dah is what dey leave for you?"

Hon. T. Deyalsingh: That is what they left for me.

Mr. Imbert: After \$5 billion?

Hon. T. Deyalsingh: After committing this country to \$5 billion in new hospitals, the crank to crank up the head adjustment and the foot adjustment in the Mount Hope Women's Hospital is held together by masking tape, Member of Parliament for Fyzabad.

Hon. Member: But the "bachie" pad in south is well furnished though.

Hon. T. Deyalsingh: And this is the same government that would not give the Chancery Lane Hospital the extra two floors on top, because they want to hold that there as a "bachie" pad.

Mr. Deputy Speaker: Hon. Minister, could I interrupt you, please?

Hon. T. Deyalsingh: Of course.

Mr. Deputy Speaker: I would like to call on the Leader of Government Business at this time.

PROCEDURAL MOTION

The Minister of Planning and Development (Hon. Camille Robinson-Regis): Thank you very much, Mr. Deputy Speaker. Mr. Deputy Speaker, in accordance with Standing Order 15(5), I beg to move that the House continue to sit until the completion of the business before the House today.

Question put and agreed to.

DEVELOPMENT LOANS ACT (INCREASE IN BORROWING)

Mr. Deputy Speaker: Kindly proceed, hon. Minister, MP for St. Joseph.
[*Desk thumping*]

Hon. T. Deyalsingh: Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, before I took my seat I was telling the country that the crank to adjust the head-rest and the foot-rest at the Mount Hope Women's Hospital is being held together by masking tape. Mr. Deputy Speaker, if we go back to one of the main reasons we are here today in support of the amendments to three pieces of legislation as brought forward by the Minister of Finance, it is important for us to respond to the Member for Naparima again, because the Member for Naparima made a big song and dance about our debt to GDP ratio, and Norway and wherever and wherever. Let us see what the actual data is as far as debt to GDP ratio is concerned.

In 2006, 16.8 per cent—PNM Government, PNM policy. In 2008—

Mr. Singh: Is the Member quoting from a document?

Hon. T. Deyalsingh: Yes, Central Bank.

Mr. Singh: What year?

Hon. T. Deyalsingh: This year, my friend is—and I will give it to you now—“Trinidad and Tobago Government”—I will get it for you now. I will get the exact date. Sorry. Last updated, December 2015. PNM policy, my friend: 2008, debt to GDP ratio, 13.18 per cent; 2010—

Mr. Al-Rawi: Down from 65 per cent, eh. It was 65 per cent.

Hon. T. Deyalsingh: Yes. It used to be 65.

Mr. Imbert: Under them.

Hon. T. Deyalsingh: Under you all. It went down in 2008. And then under your stewardship, 2010, 35.5; 2012, 41.2 and 2014, 41.6. You almost tripled it from where it was. So therefore, if it is in the past, a past PNM administration—*[Crosstalk]*

Mr. Deputy Speaker: Members, Members. Members on both sides.

Hon. T. Deyalsingh:—had the management skills to move it from 65 to 13, then we could manage it again. *[Desk thumping]* We could manage it again, and we will manage it again because we will cut out waste; we will cut out corruption; we will cut out mismanagement. And we are not going to spin a wheel and hope our fortune improves. We will do it by prudent management, by thoughtful management and proper procurement practices. That is what we will do.

And one of the first things this Administration did when the Attorney General spoke, was to send that procurement legislation to a joint select committee to report in the shortest possible time because we had some serious problems with the Bill that was passed by the last administration—serious problems. So if we could have reduced it from 65 to 13 last decade, believe me, we can do it again and that is what we are here for. *[Desk thumping]* We can do it again.

Hon. Member: Well said.

Hon. T. Deyalsingh: We can do it again. This is one time that lightning will strike twice.

Dr. Tewarie: Time will tell.

Hon. T. Deyalsingh: We will do it again.

Mr. Hinds: PNM style.

Hon. T. Deyalsingh: Because on this side you do not have people whose interests are only their own. All of us on this side only have one interest—Trinidad and Tobago. [*Desk thumping*] Only one interest, Trinidad and Tobago. We are not interested in LifeSport; we are not interested in the \$400 million more for Beetham. We are not interested in those things. We are not interested in paying inflated rents for properties.

Mr. Deputy Speaker, I recently was given a document to sign off the Eastern RHA to continue rentals of three buildings in Sangre Grande, and when I asked people in Sangre Grande, “do you know these buildings?” “Yes, I know the buildings.” “What kind of rent you think we should be paying?” “Well, \$5,000/\$10,000.” You know what rents the Eastern RHAs are paying? \$25,000 and \$30,000. So I simply put a note, “I want to see a valuation report.” I just want to show you the squander mania, waste, mismanagement and corruption that took place.

Mr. Singh: Those things are handled by the Property Division.

Hon. T. Deyalsingh: So I am asking for the valuations now. Right? I am asking for the valuations now.

Mr. Singh: The Property Division.

Hon. T. Deyalsingh: So, Mr. Deputy Speaker, all of us are here today in support of the Minister of Finance. You have left us with no choice but to borrow. We have demonstrated your wastefulness; we have demonstrated your slothfulness in coming to the Parliament to level with us as to the true state of the economy and I recommend and I commend the Minister of Finance and I am in total support of all these measures.

Thank you, Mr. Deputy Speaker. [*Desk thumping*]

Mr. Deputy Speaker: Hon. Members, at this time I would like to suspend our sitting for approximately 10 minutes. We will resume at 8.06.

7.56 p.m.: *Sitting suspended.*

8.06 p.m.: *Sitting resumed.*

Mr. Deputy Speaker: I recognize the hon. Member for Princes Town.

Mr. Barry Padarath (*Princes Town*): Mr. Deputy Speaker, I thank you and hon. Members as I rise to add my voice and my very deep concerns to the debate on these Motions. This PNM Government, like the same old PNM Governments of the past, has set our country on a very dangerous and destructive path, and I begin by echoing what many are now asking: If the PNM has been able to achieve such a perilous course inside of just three months, what kind of unimaginable damage will we be left with if they run for a full five-year term? [*Desk thumping*]

Mr. Deputy Speaker, the 2016 budget delivered last September by the hon. Member for Diego Martin North/East was themed “Restoring Confidence and Rebuilding Trust: Let us do this together”, but these Motions contradict that story. It is as if they all sat in their first Cabinet meeting, scratching their heads, wondering what to do and finally agreed, if this country has to collapse, as is typical, let us do it PNM style. That is what defines this PNM bench: let us do this to the people together.

While we are all appalled at the PNM’s utter lack of even basic competence and economic management, no one is really surprised. Three months have passed and the only things they have restored are the features typical of the PNM: arrogance, secrecy, incompetence, and an abject lack of understanding of the environment that they are in [*Desk thumping*] and what they must do. More than that, the irony of their budget slogan is that three months later, their every action, their every word, has served to break confidence and erode trust.

Mr. Deputy Speaker, they broke confidence and trust by proving they just do not know how to fight crime. They broke confidence and trust by proving that they have no interest in protecting the jobs, incomes and livelihoods of the people. They broke confidence and trust by proving that they just do not know how to function by transparency and consultation. Today, they are breaking confidence and trust by proving that they just do not know how to manage an economy, how to inspire growth and how to sustain progress.

Mr. Deputy Speaker, three months after taking office, they have come to the Parliament with what looks like part of a very dangerous path. After sitting in office and scratching their heads for three months, a clueless Minister of Finance finally comes to this House wanting to increase our nation’s debt to GDP ratio from 46 per cent to an alarming 76 per cent in one fell swoop.

Mr. Deputy Speaker, the borrowing this PNM Government seeks to pursue with these Motions amounts to roughly \$50 billion, which is almost equivalent of an average national budget. And they are going to build the rapid rail with the

same secrecy that now defines this Government. Are they going to secretly add hundreds of millions more to the four budgets they previously exceeded on the Brian Lara Stadium? Are they going to burn money like this while more and more people lose their jobs every day?

You will appreciate that when this Government took office on September 07th, they came in championing the cause of workers; they came in championing the cause that they will ensure that persons do not lose their jobs. As we go into the Christmas season, every Member of Parliament on this Opposition Bench can testify and provide testimony to the amount of persons and constituents who have lost their jobs since this PNM Government has taken office. [*Desk thumping*] That is Government, PNM style.

What could the Government possibly be thinking when they bring Motions like these for approval of a total of \$50 billion in government borrowing? There can only be one reason and it is a simple but very frightening reason. The person who wants to manage our nation's economy and future for the next four years plus has no idea what to do, how to manage and how to protect stability and growth. They, collectively, really do not have a clue.

The hon. Minister of Finance is clueless and he intends to make the people of this country pay for his general incompetence. The Member for Diego Martin West, the hon. Prime Minister, Dr. Keith Rowley's PNM, took office three months ago and brought with it a spike in murder and crime. You would appreciate that after the month of September when the PNM first took office, the *Newsday* ran with a headline that Trinidad and Tobago is red but 50 is dead, and today, it continues to be a hallmark of this administration.

Mr. Deputy Speaker, while crime and loss of jobs have spiralled out of control, there is an increasing anxiety and there is a fear by people for their livelihoods with an economy that is grinding to a halt. Let us be clear, three months and a stagnant economy are the results of their own words, running pillar to post crying "things rough", "cuts coming", "tough decisions" and so on. We warned them not to politic the economy, we warned them that taking negative positions on future prospects would affect confidence and would create anxiety in the business community.

After refusing to listen and creating the anxiety and lack of confidence that now exist, their solution to the general situation that is crippling our country is usual PNM style: borrow, borrow, borrow; tax, tax, tax; promise, promise,

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promise, and never deliver. [*Desk thumping*] That is their modus operandi. That is in the context of a time where we have falling revenue with a bleak outlook for energy prices.

You will notice that in the public domain, there has been much that has been said about the falling revenue with respect to oil and gas prices globally. Our country, Trinidad and Tobago, is now faced with a situation that while we have a very silent Prime Minister and a de facto Prime Minister in the Member for Diego Martin North/East—who seems to be the mouthpiece of the Government because the Prime Minister continues to remain silent—we have an almost absent Minister of Energy and Energy Industries who has not added her voice, in terms of what is the Government’s plan, what is Government’s policy, with regard to restructuring the economic downfall with respect to revenue streaming from the oil and gas industry.

Mr. Deputy Speaker, today is the day when the oil-producing and exporting countries, OPEC, would have met to decide how it will manage current and future oil demand and supply. They may not be aware so it is our duty to inform them of what is happening around them. *Reuters* on Wednesday reported:

“Oil prices fell more than 3 percent on Wednesday after U.S. government data showed a 10th straight week in crude builds, but traders cautioned of volatility ahead of this week’s OPEC meeting...”

As a responsible Government and as a responsible Minister of Energy and Energy Industries, the Minister of Energy and Energy Industries continues to be silent, not knowing—not seemed to be knowing of what is happening in the global context.

MarketWatch on Monday reported:

“Expectations that members of the Organization of the Petroleum Exporting Countries won’t cut output at their meeting later this week kept pressure on oil futures Monday, extending the November rout to around 10%.”

The Week, a British publication, reported on Wednesday:

“The oil price may be rooted 60 percent below its peak in the summer of last year and at painful, unprofitable levels for most production - but the worst could still be to come.”

Mr. Deputy Speaker, in light of this situation that we have found ourselves, not only in Trinidad and Tobago but globally for oil-producing nations, the

Government of Trinidad and Tobago, through its Prime Minister and its Minister of Finance, would have us believe here in this august Chamber today that we have just arrived in the situation. [*Desk thumping*] But this PNM administration has continued to contribute to two things: one, the situation that we have found ourselves economically; and two, the silence that we continue—the deafening silence that they continue to exhibit on that side of the House.

Mr. Deputy Speaker, these are the prospects for global oil where prices already below the budgeted figure of US \$45 per barrel and government revenues falling further. Yet, a clueless Minister of Finance is now seeking to address the woes of Trinidad and Tobago by putting us in more debt than we have ever been before.

Mr. Deputy Speaker, I would like to spend some time dealing with the performance of the People's Partnership and the UNC Government. Not many people trust this PNM Government with numbers. You see, they will come with one number today and change it tomorrow. They will give you a myriad of different numbers and yet, you will leave not knowing which one is really the truth. So let me make it very clear the conditions we left them on leaving office a few months ago.

We took over the Government in 2010 and found a total debt of \$45 billion and a deficit already in place. I wish to repeat that point. We did not just land in the situation; the situation that this Government, this PNM Government, has found itself in today comes from a long, long, long legacy of debt that they have left to this country from decade to decade. We took over the Government in 2010 and found a total debt of \$45 billion and a deficit already in place. By 2015, the total debt was \$76 billion, an increase of \$31 billion.

8.20 p.m.

Mr. Deputy Speaker, this increase of \$31 billion over a five-year period was due largely to bungled debacles we inherited from some of the very Members opposite. Some of those very Members opposite, Mr. Deputy Speaker, you would recall, sat in previous PNM administrations and oversaw many of the debacles that this People's Partnership administration inherited. Mr. Deputy Speaker, this included the Clico bailout which required over \$20 billion to resolve and the Government Campus Plaza building. Mr. Deputy Speaker, this means that the net increase in debt, under the People's Partnership administration, excluding loans to solve their Clico mess and the Government Campus Plaza building was \$11 billion for a five-year period.

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In relative terms, Mr. Deputy Speaker, let me tell you what we were able to accomplish with 22 per cent of the amount that the Member for Diego Martin North/East wants all at once. Roads and highways across Trinidad and Tobago were comprehensively upgraded, and I wish to congratulate the Member for Tabaquite, the hardest working Minister of Works and Infrastructure that ever passed through this country. You see, Mr. Deputy Speaker, the Member for Tabaquite demonstrated the resilience and the competence of Members of Government and Ministers of Government in the People's Partnership administration.

Mr. Deputy Speaker, roads and highways across Trinidad and Tobago were comprehensively upgraded and rebuilt to service the growing transport and services sectors and provide for more efficient access for citizens.

Mr. Deputy Speaker, what we are seeing today is a stagnation in the economy. Nothing is happening in Trinidad and Tobago and the citizens across the board, whether it is from Tabaquite, whether it is from Moruga/Tableland, whether it is from Port of Spain South, their own supporters, can tell you nothing is happening in their communities and nothing is happening in their constituencies. [*Desk thumping*]

Mr. Deputy Speaker, what can you expect when those opposite are clueless about what they are supposed to do while in office. Many of them, I am sure, are still shocked that they are still there, or that they even got there in the first place.

Mr. Deputy Speaker, the national drainage and waterway networks were painstakingly transformed, and we thank the Member for Chaguanas West for that. You see, Mr. Deputy Speaker, while they speak about the billions that have been spent, even in this past People's Partnership administration, the Member for Chaguanas West took little and was able to get a lot done [*Desk thumping*] and he did so throughout the length and breadth of this country. Mr. Deputy Speaker, bridges and a water supply were transformed in places never before serviced by a Government of this country.

Mr. Deputy Speaker, never before serviced: Union Village, the Member for Mayaro will tell you, is one example. They received water for the first time in 100 years. [*Desk thumping*] So when my friend from St. Joseph wants to remind us about what PNM schools we went to, what about the perpetual incompetence that they continue to demonstrate while they have been in Government for over 60 years. You know, Mr. Deputy Speaker—[*Interruption*]

Hon. Members: Sixty years?

Mr. B. Padarath: The Member—sorry, for the 60 years that the PNM has been a political party in this country and holding the majority of years in power in this country. Mr. Deputy Speaker, that is why today, Members, like the Member for Laventille East/Morvant and the Member for Port of Spain South, will get up and they will tell you about that lack of development in their own constituencies. They will tell you all the problems that are being faced in Laventille East/Morvant and they will tell all that is happening, that the People’s Partnership Government did not perform in these constituencies. But you know what they will not tell you, Mr. Deputy Speaker? That they have kept their people in bondage for all the years that they have been in power and they should be ashamed. They should be very, very ashamed to come here today to ask for \$50 billion knowing what they have done to their own constituents over the years that they have been in power.

Mr. Deputy Speaker, we started and built and completed hospitals across Trinidad and Tobago and this does not include the 105 community health facilities which we upgraded and rebuilt.

The Member for St. Joseph comes and he speaks about a bed in the maternity ward, in the women’s hospital, being held by masking tape. Mr. Deputy Speaker, the Member for St. Joseph failed to come to the Parliament and explain why at that same Mount Hope Hospital we continue to see so many issues of malpractice occurring there; why we continue to see so many babies dying across there. Mr. Deputy Speaker, we became the first nation in the world to achieve universal pre-school education with delivery of scores of Early Childhood Care and Education centres.

Today, the Member for Couva North will tell you that the Member for Arima has yet to identify the reasons why over 16 schools in this country, where you are completing the first term in an academic year, why 16 schools in this country—Member for Chaguanas West will tell you about the Munroe Road Hindu School. I will tell you about the Princes Town Presbyterian School and you are asking for the Ministers to meet. You are asking for the Member for Arima to come in and meet with the boards to explain why children have to go to school at 12.00 o’clock in the day, but yet the Member for Arima, the Minister of Education, the Minister of Finance, the Prime Minister, remain silent on these issues but come to this Parliament for \$50 billion.

Mr. Deputy Speaker, my friend from Naparima would have spoken about the inflation rates that we inherited when we came into Government. In May of 2010,

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we inherited an inflation rate of 12.5 per cent. Mr. Deputy Speaker, when we left office in September of this year, inflation reached some of its lowest levels and the Member for Caroni Central will tell you that it reached a low of 5.6 in March of 2013. [*Desk thumping*] Mr. Deputy Speaker, unemployment reached its lowest levels with 3.3 per cent, with more people having jobs and incomes than any other time in this history.

But, Mr. Deputy Speaker, today while we go into a very festive season, the Member for Diego Martin North/East is telling people this is not going to be a blue Christmas, this is not going to be a Grinch Christmas. But he cannot explain when the Member for Tabaquite asked him about all those who have been let off from those job sites. He cannot explain why there have been so many job cuts in this country.

Mr. Deputy Speaker, we not only spent money and generated high revenues, we have also increased savings. We took a Heritage and Stabilisation Fund post-2010 and post-boom, from US \$3.6 billion, when we took office, to US \$5.7 billion. [*Desk thumping*]

Mr. Deputy Speaker, the Member for Diego Martin North/East, when he visited the other place, he was corrected by Independent Senator Dhanayshar Mahabir. Mr Deputy Speaker, the Member for Diego North/East told the other place that day that, and to paraphrase him, over his dead body, he would rather die than to accept responsibility for the People's National Movement administration not having the Heritage and Stabilisation Fund at the place it should have been, especially at a time when the PNM would have overseen a series of oil booms in this country.

Mr. Deputy Speaker, we found an economy that had been in decline by 4.4 per cent in 2010, and restored stability, confidence and growth. Foreign direct investment more than tripled in the five years of our Government, moving from barely US \$500 million to heights of over US \$2.1 billion.

Mr. Deputy Speaker, in fact this country attracted half of the foreign direct investment inflows into the Caribbean. According to the UNCTAD World Investment Report 2015, foreign direct investment inflows to Trinidad and Tobago also increased by 21.5 per cent in 2014.

Mr. Deputy Speaker, in pushing forward with economic diversification the non-energy sector increased its contribution by \$13 billion, further buffering us from energy price shocks. While we did this, we secured the lowest paid ensuring

that they too had a stake in our progress by increasing the minimum wage and old age pension, not once Mr. Deputy Speaker, twice.

Mr. Deputy Speaker, we increased our foreign exchange reserves from US \$9 billion in 2010, to US \$10.7 billion when we left office. Mr. Deputy Speaker, it took over five years for us to stabilize and increase foreign exchange reserves by US \$1.7 billion. And the Member for Diego Martin North/East recently admitted a US \$700 million in just two months. This tells you how rapidly they have destabilized our economy.

In the midst of this activity we never increased a single tax, thereby giving people more power to spend, [*Desk thumping*] save and keep small business activity growth. Mr. Deputy Speaker, while all of these were taking place our diversification plans were proceeding with a strategy for seven clusters: finance, ICT, tourism, marine industries, food sustainability, creative industries and energy.

Mr. Deputy Speaker, before we lose the context here we did all of these things and only increased net debt, excluding Clico and the Government Campus Plaza building by \$11 billion in five years.

Mr. Deputy Speaker, before they forget, let me remind them that the net increase in debt under the People's Partnership administration, excluding loans to solve their Clico mess and the Government Campus Plaza building, was \$11 billion for a five-year period. Today we are looking at three Motions with the PNM now seeking approval for \$50 billion all at once.

Mr. Deputy Speaker, this is incompetence on an unprecedented and frightening scale and wrecks of coming years of guaranteed corruption and mismanagement. Mr. Deputy Speaker, incompetence, however, is not enough for the People's National Movement. You just have to ask our friend from Diego Martin North/East. Mismanagement is not enough. It goes further with a continuous chorus of falsehoods to hide their own failures. Mr. Deputy Speaker, this nation knows the PNM well. Every time they are in trouble, or they are hiding something, they throw out a distraction to cover their failures. Or, as the Member for Diego Martin North/East who likes to say: "they hack me".

Mr. Deputy Speaker, by September, when the Government changed, some of them were falling over themselves to repeat a most blatant falsehood that the Treasury was empty. Mr. Deputy Speaker, not only was it completely untrue but we now realize that it was the precursor of the incompetence that would preside over our nation's financial and economic management by this Government. While the overdraft had increased as September is the end of the fiscal year, the

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expected inflows of approximately \$12 billion: TGU, \$4 billion; IPO, \$1.5 billion; taxes, \$6 billion, would have been sufficient to clear the overdraft and provide working capital.

8.35 p.m.

Mr. Deputy Speaker, I will repeat this point because you see, it is a point that they hope that the national community will not take notice of. It is a point that I believe is a significant point to be made, because it gives testimony to the type of Minister of Finance the People's Partnership administration provided to this country, and the type of leadership through Kamla Persad-Bissessar, the Member for Siparia. [*Desk thumping*]

While the overdraft had increased as September is the end of the fiscal year, the expected flows of approximately \$12 billion; TGU, \$4 billion; IPO, \$1.5 billion; taxes, \$6 billion; would have been sufficient to clear the overdraft and provide working capital. Mr. Deputy Speaker, the Member for Diego Martin North/East was advised by the former Minister of Finance and the Economy to expect these inflows, so he knew about it. Therefore, the overdraft which he complained and bemoaned about, which is his normal style, arrant nonsense, every two words he says, you know, that is the typical nature of his arrogance. The overdraft which he complained about occurred because of his failure to ensure that these sums were collected and programmed into the accounts of the previous fiscal year. It is very dangerous and scary when a Government would gamble with the stability of an economy and population for the sake of cheap and petty politics.

Yes, Member for San Fernando West, it will be well in time to come, because, surely, as we in the United National Congress goes into an internal election— [*Interruption*], as we go into an internal election—thank you for your correction, Member for Port of Spain South, my good friend.

Miss Mc Donald: You are welcome. [*Interruption and laughter*]

Mr. B. Padarath: As we go into the internal election of the United National Congress, I know my friend from San Fernando West is very concerned about these election petitions. And surely as we go into that internal election, [*Interruption*] and we return Kamla Persad-Bissessar as the political leader, I know the Member for San Fernando West is quaking in his boots— [*Desk thumping, crosstalk and interruption*]

Hon. Member: Dream on.

Mr. B. Padarath:—because he and probably your good self, Mr. Deputy Speaker, may not be joining us, when the Member for Siparia returns as the Prime Minister of this country.

Mr. Deputy Speaker, how many people remember what the PNM did during its previous administration in their management of the energy sector? When we took office in 2010 oil production was entering its fifth consecutive year of decline. [*Crosstalk*] Between 2005 and 2010, oil production fell from approximately 145,000 barrels per day to under 100,000 barrels per day.

In an energy-based economy, the PNM sat back, scratched their heads just like they are doing today, allowing oil production to collapse. They failed to attract new exploration and production investments in the sector. They frustrated one deep-sea exploration investor to the point that they packed up and left. They pursued bad investments in the failed gas to liquid project, which my friend from Naparima spoke about, which cost Petrotrin almost \$3 billion. [*Desk thumping*] The Petrotrin gasoline optimization programme, which was originally budgeted at US \$350 million, went over to US \$1.5 billion.

When we took office there was a dormant upstream sector. There was only one rig working offshore and no drilling in Trinmar. Mr. Deputy Speaker, multinationals like bp and BG were not investing in the upstream. They left behind a huge debt, building up at Petrotrin, including two bonds, for US \$1.67 billion. They took the revenues from oil at a time when energy prices were at their highest levels and did nothing to sustain and further develop the sector.

Mr. Deputy Speaker, it was the People's Partnership administration that stopped the decline in oil production. [*Desk thumping*] You see, we secured US billions in exploration investment, ventured successfully into deep-water exploration and turned production around. Our changes in the fiscal regime worked tremendously well. There was a significant turnaround in drilling and investment. Five competitive bid rounds were undertaken. We licensed nine blocks in deep water and, in fact, drilling began in the deep water in mid-2015. We signed 21 production sharing contracts and/or exploration licences. We concluded the largest ever seismic survey by an international oil company BHP. We presided over five major hydrocarbon discoveries in 2010 to 2015. Bp invested in Juniper, largest ever capex in upstream of US \$2.1 billion. We advanced and made significant progress on the Loran Manatee cross border gas field. [*Interruption*] Mitsubishi arrived at final investment decision on plant at La Brea with US \$987 million.

Mr. Deputy Speaker: Hon. Member, you have 10 more minutes of your time.

Mr. B. Padarath: Mr. Deputy Speaker, you will also recall what happened with large capital projects when billions were placed in the PNM's hands. I wish to remind the national community of what really is the modus operandi of the PNM in Government. You see, there are so many examples, living testaments that demonstrate the mismanagement and the incompetence of the PNM.

You would recall that the Chaguanas corporation's administrative complex, it was over budgeted by \$10 million with a 24-month delay, two years; the Prime Minister's residence and Diplomatic Centre, \$70 million over budget; Beverley Hills Housing project, \$106 million over budget, and over five years delay; NAPA Port of Spain, \$234 million over budget, and 12 months delayed; SAPA San Fernando, \$238 million over budget; Chancery Lane Government Complex, \$300 million over budget and incomplete; the Government Complex, Legal Affairs; \$300 million over budget and 24 months delayed and incomplete by 2010; the Ministry of Education Tower, \$300 million over budget, and 20 months delayed and left incomplete in 2010; the Brian Lara Stadium, \$700 million over budget, incomplete when they left office, and as if to add insult to injury, they have promised to complete it at any cost; international waterfront, over \$340 million over budget, six months delayed and left incomplete in 2010.

This, Mr. Deputy Speaker, is just a snapshot of their recent history. Many in our nation feel as though our country is without a leader. Many feel as though the country is without a Prime Minister. Many feel as though the country is running on autopilot. Many feel as though this Government has no vision and has no plan.

Today is evidence of all of this and more. The Government has brought to the Parliament what I will describe as the biggest slap in the face to the citizens of this country. Today, the Government has presented a Motion to the Parliament to increase its borrowing limits to \$50 billion, at a time when it is telling the nation to be very moderate, and essentially "tighten yuh belt".

This PNM Government has always had a history of not knowing what to do in difficult economic times, and borrowing large sums to cover vanity projects. This is nothing new to them as you would recall the PNM's legacy of borrowing obscene amounts from the 70s straight up to today. This Minister of Finance has the audacity to come to this House to present a Motion that could easily tip us over the proverbial cliff as a nation.

Today, the economic reality for an oil and gas-based economy is not an optimistic one. In the past few days we have seen the price of oil per barrel drop

below the \$40 mark, and it then begs the question whether the timing of this ill-conceived Motion is appropriate? It begs the question as to who is running this Government. Mr. Deputy Speaker, this Government is being led by the de facto Prime Minister, in the Member for Diego Martin North East, [*Interruption*] and Minister of Finance. This is no joke, but as comical as it may sound, it is the reality. The Prime Minister continues to be very silent on major decisions that are taking place in the country, and the mouthpiece of the Prime Minister is the Member for Diego Martin North/East. The substantive Prime Minister— [*Interruption*]

Mr. Young: On a point of order, Standing Order 48(4), please. It has been enough, Standing Order 48(4), please, Mr. Deputy Speaker. [*Crosstalk*]

Mr. Deputy Speaker: Hon. Member for Princes Town, kindly proceed. [*Desk thumping*]

Mr. B. Padarath: Mr. Deputy Speaker, you see, they do not like to hear the truth, but the population has already seen beyond the smokescreens and the mirrors.

Mr. Young: Standing Order 48(6), imputing improper motive. Who does not like to hear the truth on this side? [*Desk thumping*]

Mr. Deputy Speaker: Kindly proceed, Member for Princes Town.

Mr. B. Padarath: [*Desk thumping*] You would recall, that on coming into Government in May 2010, the Member for Siparia, the then Prime Minister, brought to this Parliament legislation to deal with the Children's Life Fund, that was the priority of the People's Partnership Government. [*Desk thumping*] Today, the priority for the People's National Movement is to borrow; that is their legacy.

I wish to remind this country of what the People's Partnership Government inherited when we came into office. [*Interruption*] In the construction sector alone— [*Interruption*]

Mr. Deputy Speaker: Hon. Member for Princes Town, you have three more minutes. Kindly proceed.

Mr. B. Padarath: I hope I get some injury time, Mr. Deputy Speaker. In the construction sector alone, the Partnership Government faced a bill of over \$7 billion in outstanding payments; [*Desk thumping*] \$2.6 billion was still owed on a loan from Wells Fargo Bank, New York for building the International Financial Centre, Wrightson Road, Port of Spain. Some \$320 million was owed for the roll

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out of public sector investment, owed on the Brian Lara Stadium in Tarouba. Some \$563 million is owed for the education towers for a 2007 loan; Some \$170 million and \$40 million were owed, respectively, for two loans taken out in 2007, and involving the Home Mortgage Bank for a Real Spring facility, apparently a public housing development at Valsayn. Mr. Deputy Speaker, up to 2014 UDeCOTT was saddled and owed \$8.8 billion for pre loans; from 2010. [*Desk thumping*]

8.50 p.m.

Mr. Deputy Speaker, the hon. Member for Diego Martin West on Wednesday, September 07, 2011—and I would like to quote from the *Hansard*—said, and I quote:

“Not a word, not a word on what that is going to be spent on. ‘Just give us the ability to borrow \$12 billion more’, so now the limit of borrowing under this Act would move from a \$9 billion ceiling to a ceiling of \$25 billion.”

Mr. Deputy Speaker, those are the words of their Prime Minister. Those are the words of a man who continues to remain silent while the economy of this country continues to go down. The then Leader of the Opposition came to this House and he said, you have to tell us, the Government has to tell us what are the projects, what are you going to utilize this money for. Mr. Deputy Speaker, we stood in this Parliament, Member after Member, Members across—this Opposition Bench were then in the Government—and they stood in defence and they indicated to the Parliament and the people of Trinidad and Tobago, the projects that would have been implemented. And today, today in this country, Members like Tabaquite and Members like Chaguanas East, and Members like Caroni East, and Members like Chaguanas West, Barataria/San Juan, Couva North, Couva South, they could stand proud in this Parliament and know that they have left a rich legacy that is seen, that is real, that is tangible; it is service [*Desk thumping*] and delivery that they have delivered to the people of Trinidad and Tobago. [*Interruption*]

Mr. Deputy Speaker: Member, you have three seconds to wrap-up, please.

Mr. B. Padarath: Mr. Deputy Speaker, that is the biggest failure of the Members like that of Diego Martin West, Diego Martin North/East who has failed, who has failed to come today and indicate what that \$50 billion would be used for. But, Mr. Deputy Speaker, as is the PNM modus operandi, promise, promise, promise, tax, tax, tax, but never deliver. Deliver is not part of their vocabulary. [*Desk thumping*] Mr. Deputy Speaker, I thank you.

Mr. Deputy Speaker: Hon. Member for Princes Town, thank you. I recognize the Minister of Finance, Acting Prime Minister. [*Desk thumping*]

The Acting Prime Minister and Minister of Finance (Hon. Colm Imbert): Thank you, Mr. Deputy Speaker. Let me bring some sanity back into this discourse. Mr. Deputy Speaker, I think it is time for yet another reality check, and I know that hon. Members opposite are afraid of the true facts, but I am not speaking to them, Mr. Deputy Speaker, I am speaking to you, and through you to the national population. [*Desk thumping*]

After listening to the contributions from hon. Members opposite, you would think that the UNC was not in Government for the last five years and three months. You would think they were not in Government, so I think it is necessary to remind the population of what happened in the UNC years, and, by the way, as far as we on this side are concerned, Mr. Deputy Speaker, it was a UNC Government masquerading [*Desk thumping*] as something else, but it was a UNC Government.

Now, Mr. Deputy Speaker, in 2011 the fiscal deficit that this former administration incurred was \$4 billion; in 2012 the fiscal deficit was \$3.5 billion; in 2013 the fiscal deficit, which is the difference between expenditure and income, \$5.2 billion; 2014 the deficit was \$4.9 billion; 2015 the fiscal deficit, the deficit between income and expenditure under their stewardship, \$7 million, and if you take half of 2010 because they came into office in May 2010, the deficit in 2010 was \$2.8 billion, so let us give them half of that, \$1.4 billion; the accumulated fiscal deficit, the difference between income and expenditure under the UNC Government of 2010 to 2015 was \$27 billion, accumulated fiscal deficit. Every single budget was unbalanced under their stewardship—\$27 billion in deficits.

Mr. Deputy Speaker, the former administration left the Exchequer Account, in 2015 the Exchequer Account overdrawn by \$34.5 billion. [*Interruption*]

Hon. Member: How much?

Hon. C. Imbert: Thirty-four point five billion dollars overdrawn, and this is an indication of the way they pawned, to use the language of my hon. colleague from Laventille—they pawned the Green Fund and they pawned the Unemployment Fund, and they pawned the Treasury Deposits from the Ministry of Energy. They pawned everything, every single cash deposit, and hide it from the population, and that is how the Exchequer Account, after they left, was overdrawn by \$34 billion. So that the overdraft of \$9 billion is just a fraction of their fiscal irresponsibility.

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Let us deal with some other facts. They squandered \$14 billion in cash from the National Gas Corporation account, \$14 billion in cash. They squandered \$15 billion in cash from the Central Bank, taking our cash balances from plus \$6.5 billion to minus \$9 billion, Mr. Deputy Speaker. They borrowed \$28 billion under the three Acts that we are debating today, the Development Loans Act, the External Loans Act, the Guarantee of Loans (Companies) Act, \$28 billion, and they secretly, because they did not have to come to Parliament to report on what is being done under the Guarantee of Loans (Statutory Authorities) Act, they secretly borrowed a further \$11 billion. When you add it up \$14 billion in cash from NGC, \$15 billion from cash balances, \$28 billion in borrowings, and a further \$11 billion in borrowings, you know what you get? Sixty-nine billion dollars.

They burnt up \$69 billion in money, and that is in addition to revenue because you also had revenue of \$300 billion during that period, so that it is almost \$400 billion that they squandered in that five-year period. And instead of coming to this Parliament and reporting to the population as to what they were doing, instead of coming here to increase the borrowing limits, they did not want to do that because they would have to report to the population what was the state of the fiscal balances, what was the condition of the debt, what our debt-to-GDP ratio was. The fact that they were secretly using the Guarantee of Loans (Statutory Authorities) Act, instead of coming here to report, they did not; they take all the cash; they scrape up all the cash from all about; they “buss” the overdraft in the Central Bank, Mr. Deputy Speaker. That is what they did and people need to know this, they need to know this. [*Desk thumping*]

And then having taken the overdraft from plus six—so it was not overdrawn, it was positive, \$6.5 billion. So it was not an overdraft it was a cash balance, positive cash balance of \$6.5 billion—in May 2010, sending it all the way down to minus \$9 billion in 2015, thus running the country on fumes, as I said, I am told by the Budgets Division in the Ministry of Finance that for all of 2015 they were running the overdraft at minus \$9 billion, perilously close to minus \$9 billion, for all of 2015 when they came in, positive balance of \$6.5 billion. But while all of that was going on they burnt up \$28 billion of the increase in the borrowing limit that they came to the Parliament to get in 2011; they burnt up \$28 billion of that; they take out cash from NGC; they take out cash from the Central Bank; they secretly borrowed another \$11 billion under the Guarantee of Loans Act—you know what they were doing? I heard some Members opposite during their contribution, when I listed projects that some of them did not even seem to know

about. The former Minister of Planning and Sustainable Development, if anybody is clueless it was the former Minister of Planning and Sustainable Development. [*Desk thumping*] I heard them talk about these projects, “Oh, we never executed those projects”, well, I think I better read into the record:

Development of Endeavour Business and Commercial Infrastructure Park

Issuer: Government of Trinidad and Tobago;

Lender: Export-Import Bank of China;

Loan amount: US \$9.3 million, TT \$600 million;

Cabinet Minute No. 3517 of December 12, 2013—

And listen to this, you heard them say, “Oh, we never went ahead with those projects.” You heard them say that? [*Interruption*]

Mr. Al-Rawi: Yeah, they challenged you to circulate it.

Hon. C. Imbert: Commercial contract executed on February 19, 2015, between eTecK and China Harbour Engineering Company Limited in the amount of US \$93,919,696.51.

Commercial contract executed, February 19, 2015.

That is one. No financing in place for this, you know, but they are executing contract:

Transshipment and dry-dock project value, US \$499 million.

You know how much that is, Mr. Deputy Speaker? Three point two billion.

The issuer: Government of Trinidad and Tobago;

Lender: Export-Import Bank of China;

Cabinet Minute No. 321 of January 23, 2014;

Commercial contract executed on February 11, 2014, between the Ministry of Trade, Industry and Investment and China Harbour—like they like this company—Engineering Company in the amount of US \$498,870,800—\$3 billion. [*Interruption*]

Mr. Al-Rawi: The hon. past Minister said that did not happen.

Hon. C. Imbert: That never happen. Went to Cabinet, you know. I have the Cabinet Minute here you know. They executed the contract, no loan financing in place:

Development of six new industrial parks, US \$150 million

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Lender: Export-Import Bank of China;

Cabinet Minute No. 2758 of September 26, 2013;

Commercial contract executed on February 15, 2014, between eTecK and Beijing Lugen construction for US \$150,987,700.

TT \$1 billion—\$1 billion, \$3 billion, \$600 million commercial contracts all executed, no loan financing in place, and this is what we now have to deal with. Contracts executed, no loan financing in place and we have these people banging on our doors.

Mr. Deputy Speaker, you know how many letters I have received since I have come into the Ministry of Finance? *[Interruption]*

Mr. Deputy Speaker: Members, let us hear the Acting Prime Minister, please.

Hon. C. Imbert: No, actually the Prime Minister has returned, I am the Minister of Finance. *[Laughter]* I have to, Mr. Deputy Speaker, with no disrespect—

Mr. Deputy Speaker: Not a problem, Sir.

Hon. C. Imbert:—I know my place, I am the Minister of Finance.

Mr. Deputy Speaker: Proceed.

Hon. C. Imbert: Mr. Deputy Speaker, these are all contracts executed, executed based on Cabinet decisions, were they sleeping in these Cabinet meetings? Every day I get a letter from some contractor that they entered into a contract with for billions of dollars—no financing in place and they are banging on my door, they want to see me. The UNC executed a contract with them and the PNM must pay. Every single day we get a letter, Mr. Deputy Speaker, every single day, and I am just going through a few. Look at this one:

Acquisition of four light twin helicopters, US \$81 million—TT \$500 million

Lender: First Caribbean International Bank;

Cabinet Minute No. 1155, dated May 14, 2015.

They are borrowing this money you know, the overdraft at \$9 billion. The borrowing limit mash up. They took out all the money from National Gas; they took out all the cash balances, but they are entering into contracts.

Bell Helicopter contract executed March 03, 2015, between National Operations Centre and Bell Helicopter, \$500 million.

Each one of them a Cabinet decision.

9.05 p.m.

Where were they when all of this was going on? Where were they? Export credit facility for acquisition of naval assets, \$1,377 million—no loan arrangements in place. We have to deal with this now; we are paying penalties on these things. Do you know why they could not execute the loan? Because they were already up to the ceiling on the limits, it would be a breach of the law for them. They could not execute the loan; now we have to deal with this. This is one of the reasons why we are here.

They signed contracts; they mobilized contractors, no financing in place, and they write into the contract—they, the hon. Members opposite—penalties of US \$8,000 a day—“dem”. No loans in place. You cannot sign the loan, because you reached the ceiling on the Development Loans Act. You are paying US \$8,000—TT \$50,000 a day in penalties. And they want to talk today about why we come here? [*Crosstalk*]

You heard the Minister of Housing and Urban Development talk. They have incurred liabilities in the Ministry of Housing and Urban Development with no financing in place—\$10 billion. What do they want the PNM Government to do, just walk away? [*Crosstalk*] They are the ones who indebted this country. They are the ones who put this country into debt. [*Desk thumping*] What do they want us to do? To be irresponsible, just walk away and say those were UNC contracts, let the UNC pay? No, we are a responsible Government. [*Desk thumping*]

The Arima hospital, \$1,853 million—no loan agreement in place, penalties, Mr. Deputy Speaker. Acquisition of Chinese hull, \$230 million—no loan agreement in place. Construction of Point Fortin hospital, \$1,567 million—no loan agreement in place. That is the bed of thorns they have left for us. Mr. Deputy Speaker, \$10 billion in one Ministry; \$11 billion in these projects alone; another \$10 billion in contracts already signed. [*Crosstalk*]

Mr. Deputy Speaker, it is a shame. It is a shame that a government could be so irresponsible—so irresponsible. They have saddled us with over \$20 billion in unfinanced projects, in unpaid bills. Contractor already working, no money. We come here today because we are a responsible Government. We do not want the country’s reputation to be damaged, that when a government changes that we

Development Loans Act
[HON. C. IMBERT]

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walk away from contractual obligations that the previous government entered into. And they know, because every one of these things is a cabinet decision entered into by them—them; [*Desk thumping*] done in secret, hidden in the dark of the night. [*Desk thumping and laughter*]

Mr. Deputy Speaker, I am scandalized at their behaviour. Every one of them knew what was going on. They knew they left a bed of thorns for the Minister of Housing and Urban Development. They know that there is no financing for the San Fernando to Point Fortin Highway. They know that; no financing for any of these projects.

Mr. Deyalsingh: For the hospital—no financing.

Hon. C. Imbert: We have to deal with it now. In addition to having to deal with all of their liabilities they have saddled this country with and generations to come, for years to come, we have our own development programme to do. This PNM Government cannot spend the next five years completing UNC projects, vanity projects, billions of dollars in profligate expenditure. [*Crosstalk*] That would be irresponsible; the people did not vote for that. You see all that talk they talk there—all that talk they talk there. [*Desk thumping*]

We just had a general election, they lost. Do you know why they lost? Because the people did not buy what they were selling, and they have not learnt—they have not learnt. They come back now, three months later, and they are selling the same product that the population rejected on September 7th—the same product, beating the same dead horse. You lost the election because the people did not trust you to run this country. They got fed up of you. They wanted a change; they wanted a new administration. [*Desk thumping*]

Mr. Deputy Speaker, this Government has work to do. We have a highways grid to construct. We have waterfront in San Fernando. We have a ferry port in Toco. We have a fishing port in Moruga. We have a ring road to build around Chaguanas. [*Desk thumping and laughter*] “Yes, bang de table, bang de table.” At least the Member for Chaguanas West knows about the traffic problem in Chaguanas. We must build that ring road around Chaguanas.

We have a ring road to build around Sangre Grande. We have a ring road to build in Scarborough. We have to build a first-class road in the deep south to Moruga. [*Desk thumping*] Wait, wait, wait! We have to build a new port in Port of Spain; an industrial estate on the Beetham; [*Desk thumping*] a new airport terminal in Tobago. [*Desk thumping*] The population voted for that. [*Crosstalk*] They voted for that.

Mr. Hinds: We have to develop Laventille. [*Desk thumping*]

Hon. C. Imbert: Yes, we have to develop Laventille. We have to fix the deep south. We have to fix central Trinidad. Every nook and cranny in this country is crying out for development, and they are looking to the PNM to do it. That is why we are here today. We are here today because they left the cupboard empty.

I heard the Minister of National Security talk about a fire station and police station in Mayaro. How on earth can we build those facilities in Mayaro, when you have exhausted the overdraft? You have taken all the cash out of National Gas Company? You have bust the borrowing limit. How are we going to build community centres in Naparima? How are we going to do it? You have left no money in the kitty; not a cent! How are we going to build? [*Interruption*]

Mr. Deputy Speaker: Hon. Minister, you have 10 more minutes.

Hon. C. Imbert: That is enough time.

Hon. Members: More! More! More! [*Desk thumping*]

Hon. C. Imbert: How are we going to build facilities in Fyzabad, in Caroni Central, in Princes Town, in Couva North? How are we going to do all of the development projects this country needs, when the borrowing limit is exceeded, when the overdraft is maxed out, when there is no more cash in the Central Bank? How are we going to do it? How are we going to pay for all the contracts that they entered into? Obviously, the only way to deal with it, Mr. Deputy Speaker—how would we complete all these projects that they entered into, \$10 billion in contracts? How? The only way to do it is to borrow. How else can we do it? What is the solution, do nothing? Sit here and do nothing? And then we get lawsuit after lawsuit for the \$20 billion in liabilities that they left us with, and we cannot build the ferry port in Toco, and we cannot build the fishing port in Moruga, and we cannot build the terminal in Tobago, and we cannot build the waterfront? No, Mr. Deputy Speaker; we intend to do it. We intend to develop this country. That is what all of this is all about. [*Desk thumping*]

As a consequence, Mr. Deputy Speaker, I beg to move. [*Continuous desk thumping*]

Mr. Deputy Speaker: Hon. Members, the question before the House is the amendment to the Motion to add at the end of the Motion the following:

And be it further resolved that for the sake of protection of the public interest, that no new procurement be facilitated by borrowings made possible by this resolution, be effected until a new more transparent procurement law is fully in effect.

Question, on amendment, put and negatived.

Mr. Deputy Speaker: Hon. Members, the question now before the House is the original Motion.

Question put and agreed to.

Resolved:

That for the purposes stated in the said section, the Government is hereby authorized to borrow money externally or internally in a further sum or in further sums not exceeding the aggregate fifteen thousand million dollars in the currency of Trinidad and Tobago.

Mr. Deputy Speaker: I now call again on the Minister of Finance.

**EXTERNAL LOANS ACT
(INCREASE IN BORROWING)**

The Acting Prime Minister and Minister of Finance (Hon. Colm Imbert): Thank you, Mr. Deputy Speaker. I see good sense has prevailed; they want development in their areas. I beg to move the following Motion standing in my name:

Whereas it is provided by section 3(1) of the External Loans Act, Chap. 71:05 that for the purpose of financing general development in Trinidad and Tobago or of repaying borrowings effected for the general development, the Minister of Finance on behalf of the Government may borrow money externally in such sum or sums not exceeding in the aggregate fifty million Trinidad and Tobago dollars or the equivalent thereof in any foreign currency or currencies and thereafter he may borrow such further sum or sums as may from time to time be specified by Resolution passed in the Senate and the House of Representatives:

And whereas by Resolution passed in the House of Representatives on the 21st January 1972 and in the Senate on the 25th January 1972, the Minister on behalf of the Government was authorized to borrow externally in further sums not exceeding in the aggregate the equivalent of twenty-five million Trinidad and Tobago dollars in any foreign currency:

And whereas by Resolution passed in the House of Representatives on the 19th January 1973, and in the Senate on the 23rd January 1973, the Minister on behalf of the Government was authorized to borrow money externally in further sums not exceeding in the aggregate the equivalent of fifty million Trinidad and Tobago dollars in any foreign currency:

And whereas by Resolution passed in the House of Representatives on the 13th May 1977 and in the Senate on the 17th May 1977, the Minister on behalf of the Government was authorized to borrow money externally in further sums not exceeding in the aggregate the equivalent of eight hundred and seventy-five million Trinidad and Tobago dollars in any foreign currency:

And whereas by Resolution passed in the House of Representatives on the 20th July 1979 and in the Senate on the 7th August, 1979 the Minister on behalf of the Government was authorized to borrow money externally in further sums not exceeding in the aggregate the equivalent of four billion Trinidad and Tobago dollars in any foreign currency:

And whereas by Resolution passed in the House of Representatives on the 5th June 1989 and in the Senate on the 6th June 1989, the Minister on behalf of the Government was authorized to borrow money externally in further sums not exceeding in the aggregate the equivalent of one thousand million Trinidad and Tobago dollars in any foreign currency:

And whereas by Resolution passed in the House of Representatives on the 12th July 1993 and in the Senate on the 13th July 1993, the Minister on behalf of the Government was authorized to borrow money externally in further sums not exceeding in the aggregate the equivalent of three billion Trinidad and Tobago dollars in any foreign currency:

And whereas by Resolution passed in the House of Representatives on the 8th September 2011, and in the Senate on the 10th September 2011, the Minister on behalf of the Government was authorized to borrow money externally in further sums not exceeding in the aggregate the equivalent of six thousand million Trinidad and Tobago dollars in any foreign currency:

And whereas it is necessary to borrow further sums of money for the purpose of financing general development in Trinidad and Tobago:

Be it resolved that for the purpose of financing general development in Trinidad and Tobago the Minister of Finance on behalf of the Government is hereby authorized to borrow money externally in further sums not exceeding in the aggregate the equivalent of fifteen thousand million Trinidad and Tobago dollars in any foreign currency.

Mr. Deputy Speaker, I beg to move.

Question proposed.

9.20 p.m.

Dr. Bhoendradatt Tewarie (*Caroni Central*): Mr. Deputy Speaker, I would like move that the following be added to the final paragraph of the resolution just read by the Minister of Finance:

And be it further resolved that for the sake of protection of the public interest, that no new procurement to be facilitated by borrowings made possible by this resolution be effected until a new more transparent procurement law is fully in effect.

Mr. Deputy Speaker, I beg to move.

Mr. Ganga Singh (*Chaguanas West*): Mr. Deputy Speaker, I second that amendment to the resolution.

Question, on amendment, proposed.

Mr. Deputy Speaker: Members, earlier in today's sitting the House took a decision whereby we would debate the three Motions in sync and at this time we will put the Motion before the House.

Question, on amendment, put and negatived.

Mr. Deputy Speaker: Hon. Members, we will now put the original Motion before the House. Hon. Members, the question before the House is the original Motion.

Question put and agreed to.

Resolved:

That for the purpose of financing general development in Trinidad and Tobago, the Minister of Finance on behalf of the Government is hereby authorized to borrow money externally in further sums not exceeding in the aggregate the equivalent of fifteen thousand million Trinidad and Tobago dollars in any foreign currency.

**GUARANTEE OF LOANS (COMPANIES) ACT
(INCREASE IN BORROWING)**

The Acting Prime Minister and Minister of Finance (Hon. Colm Imbert): Mr. Deputy Speaker, I beg to move Motion No. 3 standing in my name.

Whereas it is provided by subsection (1)(a) of section 3 of the Guarantee of Loans (Companies) Act, Chap. 71:82 (hereinafter referred to as “the Act”), that the Government may, in such manner and on such terms and subject to such conditions as may be agreed between it and a Lending Agency, guarantee the discharge by a Company of its obligations under any agreement which may be entered into by the Company with a Lending Agency in respect of any borrowing by that Company that is authorized by the Government:

And whereas it is provided by subsection (1) of section 4 of the Act, that the aggregate amount of all borrowings by Companies that are guaranteed by the Government under the Act, shall not exceed fifty million dollars (without taking into account any amount in respect of interest, commissions and any other expenses secured by the guarantees) or such greater sum as may from time to time be specified by resolution of the Senate and the House of Representatives:

And whereas by Resolution passed in the House of Representatives on the 17th day of January 2003, and in the Senate on the 28th day of January 2003, an aggregate sum of nine thousand million dollars was specified:

And whereas by Resolution passed in the House of Representatives on the 8th day of September 2011, and in the Senate on the 10th day of September, 2011, an aggregate sum of twenty-five thousand million dollars was specified:

And whereas it is now necessary to increase the aggregate amount of all borrowings by Companies that are guaranteed by the Government under the Act by a further sum of twenty thousand million dollars:

Be it resolved that the aggregate amount of all borrowings by Companies that are guaranteed by the Government under the Act shall not exceed forty-five thousand million dollars in the currency of Trinidad and Tobago.

Mr. Deputy Speaker, I beg to move.

Question proposed.

Dr. Bhoendradatt Tewarie (*Caroni Central*): I beg to move that the following be added to the final paragraph of the resolution No. 3 just read by the Minister of Finance:

And be it further resolved that for the sake of protection of the public interest, that no new procurement be facilitated by borrowings made possible by this resolution, be effected until a new more transparent procurement law is fully in effect.

Mr. Deputy Speaker, I beg to move.

Mr. Ganga Singh (*Chaguanas West*): Thank you, Mr. Deputy Speaker, I wish to second the amendment to the resolution.

Question, on amendment, proposed.

Question, on amendment, put and negatived.

Mr. Deputy Speaker: At this time we will put the original Motion before the House. Hon. Members, the question before the House is the original Motion.

Question put and agreed to.

Resolved:

That for the purpose of financing general development in Trinidad and Tobago, the Minister of Finance on behalf of the Government is hereby authorized to borrow money externally in further sums not exceeding in the aggregate the equivalent of fifteen thousand million Trinidad and Tobago dollars in any foreign currency.

Mr. Deputy Speaker: I recognize the Leader of Government Business.

ADJOURNMENT

The Minister of Planning and Development (Hon. Camille Robinson-Regis): Thank you very much, Mr. Deputy Speaker. I beg to move that this House do now adjourn to Friday, December 11, 2015 at 1.30 p.m. at which time we will deal with the continuation of exemptions under the Customs Act, 78:01. And may I say that that will be sent to my colleagues early next week.

Question put and agreed to.

House adjourned accordingly.

Adjourned at 9.28 p.m.