

Appropriation Bill, 2015

Friday, October 09, 2015

HOUSE OF REPRESENTATIVES

Friday, October 09, 2015

The House met at 10.00 a.m.

PRAYERS

[MADAM SPEAKER *in the Chair*]

APPROPRIATION (FINANCIAL YEAR 2016) BILL, 2015

[Second Day]

Question proposed.

Madam Speaker: I now call on the Hon. Leader of the Opposition. [*Desk thumping*]

Mrs. Kamla Persad-Bissessar SC (Siparia): Thank you very much, Madam Speaker. Madam Speaker, I take this opportunity to thank God and the over 341,000 persons representing 31 per cent of the electorate who made it possible for us to take our seats on this side of this honourable House by voting for us, thereby placing us at this time, subject to any court rulings, just three seats away from Government. [*Desk thumping*] Again, to them all, I say thank you, as I give them and the people of Trinidad and Tobago the assurance that we on this side of the House fully intend to carry out our oath of office and to discharge our responsibilities thereunder as a loyal Opposition of the Republic of Trinidad and Tobago.

Whilst the Hon. Minister of Finance boasted that the people of Trinidad and Tobago placed their confidence in his party, I say, respectfully, that perhaps he needs to remind himself, lest he grows more arrogant, that they received the support of only 34 per cent of the electorate which means that 66—two-thirds of the electorate did not support them. [*Desk thumping*] In other words, his Government is a minority one, [*Desk thumping and laughter*] having garnered—[*Interruption*] Madam Speaker—

Madam Speaker: Order, please.

Mrs. K. Persad-Bissessar SC: Thank you, Madam Speaker. In other words, Madam Speaker, out of the electorate 34 per cent supported their party, and, yes, 31 per cent supported us, but they received, as I say, just about one-third of the votes of the electorate.

Madam Speaker, as I acknowledge the maiden contribution of the hon. Minister of Finance I cannot help but think, as I am sure did many others, that he had then a golden opportunity to walk the talk, to demonstrate the commitment to the talk that his party and Government have been propagating on which they emblazoned

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on the budget documents, namely “Let us do this together”. Alas, he squandered that opportunity when he chose instead at the outset, and some may say indeed, at the onslaught, even before he thanked God and the hon. Prime Minister for the honour to present his first budget, he did in effect insult and label the more than 720,000 persons, two-thirds of the electorate who did not vote for his party, as being guilty of all manner of malfeasance, including, but not limited to, greed, arrogance, corruption, betrayal, deception, nepotism and cronyism.

On another day, Madam Speaker, we can speak to those allegations and as to where guilt may lie. On another day we can enquire into whether the Member may have violated the Standing Orders whilst your good self was engaged busily in quelling excessive crosstalk. On another day we can talk about whether it is betrayal to ask everyone to do this together and then alienate so many by branding them guilty of malfeasance. [*Desk thumping*]

On another day, Madam Speaker, we can ask whether it is a betrayal when an assurance is given that there would be no job losses yet every day we read about more and more job losses. The Sunday *Express* of October 04, 2015, with the headline, “Contract workers feeling ‘betrayed’”, and I quote:

“I voted for the People’s National Movement (PNM) but right now I feel like I wasted my vote.”

This was the statement by a contract worker at the Ministry of Agriculture, Lands and Fisheries in St. Clair to the Sunday *Express* on Friday as she lamented the current climate at the Ministry following a number of employees being sent home and not having their contracts renewed.

Madam Speaker, it is not only at that Ministry that there is job loss, it is across the board in Ministries and state companies. Also, Madam Speaker, on another day we can ask whether it is cronyism when dynasties are being created, so that a father holding office will have to appear before a daughter-in-law who holds high office and a brother appointed as a new “Hart”. We will have to ask whether it is nepotism or cronyism when a campaign manager of a very high official is appointed as chairman of a very crucial state board, and we would also have to ask if there is cronyism when a childhood friend of a high official is appointed to hold a very powerful office in the Government. Madam Speaker, these and many more instances of apparent cronyism and nepotism we can enquire into on another day.

Today, I want to talk a bit about deception, indeed, immediately following the budget statement we did indicate that there are many deceptive elements within the budget and today I want to spend some time talking about those. I am sure the

Members on the other side will sing the praises of whatever is contained in the budget, and so I will take this opportunity to point out some of the grey areas that we have discovered in the budget.

It is said that context gives meaning to things otherwise all nouns are just names for the purpose of identification, and all numbers are just representations of quantities, and so the framing of context distinguishes fact from fiction, information from misinformation, truth from propaganda, truthfulness from deceit or deception, and so, for example, if someone says that they inherited \$1 million it sounds like a lot of money, but if that same person says that he inherited \$1 million together with \$2 million in debt then the picture changes entirely in that context. So if a critic of the person who inherits the \$1 million says about the inheritor that he got \$1 million and in quick time he spent out the money and got himself in \$1 million of debt on top of that, and the critic describes him as a profligate spender, then, on the face of it, it seems credible and reasonable.

So when context is provided and it becomes clear that the inherited windfall could only pay half of the inherited debt then the picture changes altogether and sympathy then seems appropriate for the inheritor who finds himself in that situation. Of course, vice versa, the converse position would also hold. And so it is with the presentation of this 2015 budget by the hon. Minister of Finance who—beginning his presentation—accused the previous government of spending too much and spending badly in 2015, running up an overdraft, leaving a debt in terms of payment for public servants and leaving a deficit in excess of the projected deficit for 2015.

So, with your leave, Madam Speaker, I will attempt to put these things into context. Firstly, we must acknowledge that there are no actual numbers for 2015, only estimates and projections. So the numbers presented in these estimates are not actual numbers and, therefore, our subject could change when the actual numbers come in. The financial year would have closed on September 30. The budget was prepared for presentation on October 05. The half-yearly report until June 2015 would have been presented some days before the reading of the budget on October 05. The Review of the Economy would have been prepared before October, perhaps at the end of September, and so most of their real figures would have been up to about June 2015, and figures for 2015 after June would have been in the realm of estimates or projections, not actual. Indeed, all the budget documents, Madam Speaker, point to estimates and, therefore, within those you will see under the 2015 allocations they are listed as revised estimates for 2015, and, indeed, on the other side, revised estimates for 2016.

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So, let us get that straight from the start, the numbers are not the actual numbers of either revenue or expenditure but indeed estimates of same. The Minister of Finance, some may think, may have been precipitous in the use of figures to make the last Government look so bad that much of what he says by way of insinuation in, for instance, criticism, has to be taken for what it is as speculation. I noticed that in the painting of the TT economy as being in dire straits did not prevent the hon. Minister from presenting a \$63 billion budget. [*Desk thumping*] It did not hinder him from announcing several high-cost projects, and the criticisms of spending by the People's Partnership Government was perhaps merely used as a justification for bringing back the dreaded property tax, for imposing taxes on business and the general population under the guise of reducing VAT and did not at all impede them from pursuing the rapid rail. [*Desk thumping*]

So, we reach to where we are in terms of how did we spend money under the Partnership Government. I was making the point, it did not stop them from pursuing the rapid rail on which they had already spent \$500 million for a feasibility study in pre-2010 under the PNM administration.

So, I turn now, Madam Speaker, to expenditure under the Partnership Government because these matters were raised by the hon. Minister of Finance in his budget statement, and I ask the question, which I will attempt to ask, how did we as a Government spend money during our five-year term? The propaganda is that we wasted money and that we were corrupt, but let us look at the facts and at the context. Between 2010 and 2015 we spent approximately \$290 billion, a far cry from the campaign rhetoric of \$400 billion. Most of that money—it is important to note—was spent on recurrent expenditure. And what is recurrent expenditure? Recurrent expenditure is for wages and salaries, for goods and services, for interest payments of both domestic and foreign loans, and also for subsidies and transfers. Indeed, when all is said and done, less than \$50 billion was spent on capital expenditure which addressed the matter of the infrastructure deficit in the country.

So when we talk numbers, the financial deficit is indeed important, but when we focus on development then the infrastructure deficit becomes important, and the only way a Government can deal with an infrastructure deficit is to spend money. You cannot build a highway to Point Fortin or build a Valencia bypass, or build an interchange or to dual the Diego Martin Highway, build schools and hospitals, and so on, without spending money. [*Desk thumping*] You cannot build 100-plus schools without spending money. [*Desk thumping*] You cannot build

hospitals and health centres and police stations and secondary roads, agricultural roads, drains, bridges, fix landslips without spending money. [*Desk thumping*] You can today travel the country and see what we spent the money on, it is all identifiable, and the people, the citizens, the taxpayers of this country, those who voted for us, those who did not vote for us and those who did not vote at all, they can identify these as they travel the length and breadth of the country. [*Desk thumping*]

10.15 a.m.

Madam Speaker, of the \$290 billion we spent during our tenure, as I said, less than \$50 billion or one-sixth was spent on capital expenditure, and \$240 billion was spent on wages and salaries, goods and services, subsidies, transfers and loan repayments. So you may say wages and salaries are too high, but how do you reduce it? Do you suppress wages? Do you cut wages? Do you send people home? I know the new Government has no problem in putting people on the breadline and sending them home, but the People's Partnership chose not to do that. [*Desk thumping*]

I know that the Hon. Minister of Finance did not conceal the fact that he was, in local parlance, "vexed" because we had concluded negotiations with public servants and the protective services, and that he has a bill of \$5 billion to pay. Today I make no apology for giving workers and their families' better salaries and wages. [*Desk thumping*]

Also in his budget presentation the Minister spoke more than once about fiscal discipline. There are some who may be of the view that this is a new-found discovery for Members on the other side—after all, what is the history of the growth of budgetary expenditure in our country? The records are there and you can see them throughout all the budget documents—for which we must thank the Parliament staff for placing everything on the website, so it is very easy to sit at your computer and research budget documents way back into the past. So we can find, for example, matters to deal with the issue of the fiscal discipline.

In the year 2000, those on their side were in charge of the Government as they are now. Central government expenditure in 2000 was TT \$10.99 billion; by 2005, rising every year, it rose to \$22.4 billion, and by 2009 it reached \$36.7 billion. The average annual increase of expenditure then, under their administration, was 14.53 per cent. Yes, expenditure did grow under the Partnership Government, but it grew at about 7.6 per cent annually. That is about half the rate that it did under the PNM between 2000 and 2009. [*Desk thumping*]

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Madam Speaker, why is this important to note? When the People's Partnership Government came into office in 2010, we inherited a deficit of over \$6 billion—in 2010 the deficit I think was \$6.8 billion. There was a decline in growth in 2009 which had been about minus 4.4 per cent. Inflation was 10.5 per cent. Unemployment was 6 per cent and, of course, the number of murders at an all-time high, and serious crimes also at an all-time high. We could not, on humanitarian grounds then, consider a cut in expenditure, because we would have had to begin with subsidies and transfers. We could not do that in the context of a global financial crisis and severe economic contraction here at home.

Prof. James Duesenberry, an economist, once explained the problem of cutting expenditure. I quote, he said:

It is harder for a family to reduce its expenditure from a higher level than for a family to refrain from making high expenditures in the first place.

So when the Minister speaks about expenditure, I have taken a moment to place it into context of what we inherited then and what we did.

Now the Minister of Finance is talking about a deficit. As I said, when we came into office in 2010, they handed us a deficit of \$6.8 billion. How easily you forget. Did we raise taxes? No, we did not. [*Desk thumping*] Did we send people home? No, we did not. Did we punish people? No, we did not. Did we cut salaries? No, we did not. Instead, we put people to work. We reduced the unemployment rate down; 2015 numbers, 3.7 per cent. We gave water to the population. [*Interruption*]

Mr. Deyalsingh: What? St. Joseph is dry, dry, dry.

Mrs. K. Persad-Bissessar SC: I think, Ganga, it is about 75 per cent complete? [*Crosstalk*] When we came into office in 2010, 17 per cent, and then we were able to have water for the population of about 70—[*Interruption*]

Madam Speaker: Member. I just want to remind hon. Members we have some pages here who are youth parliamentarians, so I would like us to observe the decorum of the House so that we can train them properly.

Mrs. K. Persad-Bissessar SC: Thank you, Madam Speaker.

Did we cut salaries? No, we did not. I was talking about water, from 17 per cent of the population receiving a reliable supply of water, to 75 per cent. [*Desk thumping*] We fixed roads. We improved drainage. We expanded education, surpassing our own target for tertiary education participation—[*Crosstalk*]

Madam Speaker, they will have their turn, please. I know you warned us last week—Monday—about excessive crosstalk.

Madam Speaker: Members, I would like to hear the contribution of the hon. Leader of the Opposition, and I am sure we would all like to hear also. Could you kindly proceed?

Mrs. K. Persad-Bissessar SC: Thank you, Madam Speaker.

As I said, we expanded education opportunities. Indeed, we surpassed our own target for tertiary education, bringing participation to about 65 per cent. We became one of the first countries in the world to have free preschool education. We expanded GATE. We outfitted a teaching hospital. We also constructed a south campus of UWI. May I just take a moment—I know Mr. Karim, MP for Chaguanas East, may speak a little more on this, but there seems to be a misconception that the south campus is only for a law faculty. That is not true. It is an extension of the St. Augustine campus, and there are other faculties that will be incorporated in that campus. So there will be other faculties, of course, and, indeed, it is not a stand-alone law faculty, but will be part of the St. Augustine law faculty. So a lot of that misconception has put some fear in the hearts of some persons, and may give other persons an excuse to shut it down. I trust they will not do to that campus what they did to the Biche High School, [*Desk thumping*] refuse to open it for 14 years.

When the Hon. Minister of Finance spoke about expenditure, I am relating these things so that you can see and know where the expenditure went. We gave citizens every opportunity to improve their lives.

Madam Speaker, instead what have we got now? What we get now is a budget, which is a half budget, which cost the country \$63 billion, with a deficit, in your own words, of \$21 billion and, in the same breath that you are talking about fiscal discipline, you then tell us that the real budget will come in March next year, with the help of the IMF. So, citizens of Trinidad and Tobago hold your breath, as you wait to exhale when the real budget comes down later.

Let me summarize by saying that the 2015 numbers are debatable, and we will only know the real numbers some months from now. Secondly, I want to make it clear that we did not engage in any profligate spending over the five-year period. I also want to emphasize that moneys expended can be accounted for and that the work of the PP Government over the last five years is tangible and visible to everyone. [*Desk thumping*]

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I want to emphasize that sizeable budgets for a country of our size did not begin with the Partnership Government, and the period 2000-2009 saw a rapid 14-plus per cent annual escalation of government expenditure. Further, in our time in government, expenditure grew at half the rate in comparison to that—in our time we managed the economy—I am sorry, expenditure grew at half the rate in comparison to the previous administration. We managed the economy to single-digit inflation, almost full employment and more disposable income in the pockets of everyone. As I said before, we did all that without raising a single tax. [*Desk thumping*] We brought serious crime down; reduced the number of murders and gang violence, and we gave opportunities to everyone without discrimination.

Madam Speaker, it is true we made mistakes in government and in the campaign, and we paid the electoral price for that. But I think, in all honesty, from an objective observer, that we governed well, we governed fairly, and we governed with the welfare of the ordinary citizen in mind, as a people-centred government, with people-centred policies and initiatives.

Let me get to some of the misinformation in these budget documents. I speak about a deficit. The deficit at the end of June 2015 was \$1 billion, based on verified numbers. Indeed, there is a memo from the Director of Budgets which the former Minister of Finance and the Economy shared a copy with us, which shows that the verified numbers, end of June 2015, was \$1 billion. So it is difficult to see how \$1 billion deficit, at the end of June, turned into a \$7 billion deficit between June and September.

This can happen if the Minister of Finance did one of two things. One, if he failed to collect the \$1.5 billion from the Phoenix Park IPO; the \$3.8 billion capital payment from TGU; the \$500 million dividend from NGC; the partial repayment by Clico, relating to Government's financial support before September 30. I know that the Hon. Minister of Finance was briefed by the former Minister of Finance and the Economy about these pending cash flows and the importance of acting on them.

Madam Speaker, note also that these are the same payments the Hon. Minister referred to at pages 59 and 60 of his budget statement as revenue mobilization measures. Again, we call upon the Hon. Minister of Finance in his winding-up to provide the information to show us how the \$1 billion deficit, at the end of June jumped to \$7 billion by the end of September.

This could have happened because misguided assumptions about income and expenditure projections may have been made. So I hope sincerely that the Minister is not playing politics with the numbers, because giving the impression that the

deficit is larger than it actually is could have a very negative impact on the way the rating agencies view our country. I would trust that his sense of nationalism is stronger than his partisanship, as we await his explanations in the winding-up.

Another issue raised by the Minister of Finance was the issue of the depleted Treasury. First of all, any government has to make a choice between using cash or borrowing, just like any business or any household would do. The Minister of Finance under the Partnership Government chose a combination of cash balances and loans. And do not forget for a minute the debts to contractors that was left to us, which we had to verify and pay over time. Now the Hon. Minister of Finance is angry about outstanding payments to public servants, which are much smaller than the debt to contractors that they had left us. They also conveniently forgot that we had to find \$20 billion to fund the Clico fiasco. [*Desk thumping*]

10.30 a.m.

I am saying—2010, we inherited a deficit of \$6.8 billion. We inherited very weak macroeconomic fundamentals. We inherited the Clico fiasco, the debts to contractors and so on, all of this, Madam Speaker. So, we also had to settle wage negotiations, some of them from 2008 which they had left us, and indeed I think it was about 130 wage negotiations settled in the five-year period.

So, what happened then was that these obligations that we inherited, left at our feet, were multiple times in excess of what actually existed [*Desk thumping*] in the Treasury at that time—in excess of what was in the Treasury. Some may legitimately ask, why did you all not borrow instead? As I said, a choice had to be made, and that choice was made by having a combination of available cash, as well as taking loans—borrowing.

We moved to the issue that the hon. Minister raised about the debt—the \$5 billion debt. What about the issue of a \$5 billion debt left by us to pay the public servants? First of all, we would be very happy if the Minister in his winding-up would give us the details as to how the sum of \$5 billion was arrived at. And even if that is the figure, why the fuss about a duly negotiated wage increase for workers in the public service? And, you know, I recall that many unions were really very, very anxious to have their wage negotiations settled before the elections because they feared what would come should the Government change, and it would seem rightly so when we see the annoyance with which the Minister—the annoyance the Minister exhibited in talking about this \$5 billion debt for paying public servants. I do not understand the annoyance, but the Minister of Finance was disingenuous to suggest that this Government will have to find \$5 billion in the new fiscal year to pay public servants.

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Madam Speaker, again I ask for these numbers because teachers were paid their moneys at the end of June. Partial payment was made to public servants in August, and arrangements were made to pay most of the remainder due to them by the end of September. A payment of \$3.8 billion due for TGU—which I mentioned before and which the Minister mentioned in his budget statement at page 59—was arranged on a timetable of payments, and indeed all those—what the Minister called revenue mobilizable measures at page 59 of the budget statement were within that timetable to meet those obligations for the increase of \$5 billion in salaries and wages.

And the Minister of Finance was advised of this by the former Minister of Finance and the Economy in a meeting that was requested by the present Minister of Finance. So, if the September payments were made, then the only outstanding payments would be the payments to the protective services, and I will come back to those—the Personnel Expenditure, Salaries and Wages to the protective services in a moment, which comes under the heading of the Ministry of National Security. So these would have to be paid which for cash flow management the former Minister of Finance and the Economy had advised the payment will be made in the new fiscal year because of cash flow management purposes.

So it is not accurate to portray the previous Government as being irresponsible for settling wages and salaries of workers. Not only did we manage things to ensure that the obligations would be met, but the former Minister had put a timetable in place for meeting those obligations.

Madam Speaker, I turn now to strong macroeconomic fundamentals. We left to the Government several, very strong fundamental indicators. As I said, unemployment down to 3.7. The Heritage and Stabilization Fund stands now at US \$5.7 billion. [*Desk thumping*] Madam Speaker, in the five years and even when the prices of the oil and gas fell from January or at the start of fiscal 2015, at no time did the Partnership Government raid the Heritage and Stabilisation Fund. [*Desk thumping*] So, we have a very strong fund—US \$5.7 billion. Our gross reserves stand at US \$10.39 billion [*Desk thumping*] which gives us 11 and a half months import cover. And indeed in their own budget documents, in the budget statement *Review of the Economy* at page 20 the gross reserves are given a very—are spoken about in very glowing terms and I quote:

“...gross official reserves continued to exceed conventional benchmarks of reserve adequacy...” [*Desk thumping*]

So we have left you with a very lofty reserve position, and indeed of course, headline inflation down to 5.6. [*Crosstalk*] I am reminded which was at 10 per cent when we took office in 2010.

Madam Speaker, I turn now to the energy sector. We are an energy-based economy. There is no hiding from it. Yes, we need to diversify and take all our eggs out of the energy basket and go into other areas, but again in the *Review of the Economy* we would have seen that the non-energy sector has grown and is projected to continue to grow. [*Desk thumping*] This is because of the initiatives that we would have employed in the last five years, but on the energy sector. Energy sector, energy policy really occupied a very miniscule part of the budget statement of the hon. Minister.

Madam Speaker, we know that demand for energy is the function of the health of the global economy. A few days ago the IMF forecasted that the world economy will grow by 3.1 per cent in 2015 compared to 3.4 projection for 2014. The increase in shale oil production in the US and an increase in oil production in Saudi Arabia is at its highest levels ever coupled with news of economic deceleration in China, all mean that the outlook for oil and gas prices continue to be very weak. In his contribution on the energy sector, the Minister of Finance spoke in vague and elusive terms of being guided by—and I quote:

—being “...guided by a framework of general principles...”—and about—“Stakeholder consultation” and about commencing “...discussions with...stakeholders on the adoption of appropriate strategies...”

I wish to sound a word of caution, Madam Deputy Speaker. Madam Speaker, I am sorry. It comes from a “throw-over” from pre-September. The energy sector players are looking on at our statements here. These international players do not like uncertainty and indecision. As a result of the share size of the investment they undertake, they demand certainty and direction. So that what is said here ripples back to Houston, to Calgary, to London, and therefore impacts on investment decisions being made in those places.

So, Madam Speaker, the Minister of Finance told us that oil production had fallen from approximately 100,000 barrels per day in 2010 to 80,000 barrels per day in 2015. What was not said—and this is why I say again, that context is everything. What was not said is, when did that decline start and what happened as a result of the decline?

In 2005, oil production was 144,425 barrels per day. By 2010 that declined to 98,179 barrels per day or a 32 per cent decline from 2005 to 2010. And do you know who was in government then, Madam Deputy Speaker, [*Crosstalk*] where there were these dramatically falling—Madam Speaker. My apologies, Madam Speaker. Who was in government during that period of dramatically falling oil

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production? The very Members who are now in government. [*Laughter*] So the decline of oil production did not start in 2010 as the Minister of Finance may want us to believe. In their last incarnation in government from 2002 to 2010, their focus was on natural gas and not on oil. In that period they ran down Trinmar. In 2005, Trinmar's production was 33,000 barrels per day. By 2010 it collapsed to 21,000 barrels per day. Further evidence of the neglect is the fact that in '09 and '10 there was no drilling in Trinmar. This is why the PNM has no moral authority, in my respectful view, to speak about the decline in oil production. [*Desk thumping*]

Dr. Moonilal: And he is so boldfaced talking about decline in oil. [*Crosstalk*]

Hon. K. Persad-Bissessar SC: The focus in Petrotrin during their last term was the gas-to-liquids project and the Gasoline Optimization Programme, both of which led Petrotrin into the valley of debt. The consequence of the Gasoline Optimization Programme and the gas-to-liquids project was two bonds indebted the company to a massive \$10.8 billion. This contributed to taking in Petrotrin's debt from \$3.3 billion in 2002 to TT\$12.4 billion in 2010. [*Desk thumping*] This situation and the servicing of these bonds severely constrained Petrotrin's cash position from 2010 to 2015. To compound matters, the GTL project ended up as a massive failure that—[*Crosstalk*] Madam Deputy Speaker, I mean, this incessant crosstalk. Madam Speaker, Madam Speaker. [*Crosstalk*]

Madam Speaker: Members, Members, could we have some order and allow the contribution to continue with some measure of attention, please?

Hon. K. Persad-Bissessar SC: Thank you, Madam Speaker, thank you. These two projects burnt a TT \$3.3 billion hole into Petrotrin's books, and the GOP project suffered alarming cost overruns. And that is the history of the management of Petrotrin between 2009 and 2010.

Yet we have a Minister now threatening the management of Petrotrin that their days are numbered. Little did the employees at Petrotrin know that their days were numbered from the day that they returned into office to complete the destruction of the company they were prevented from completing five years ago, Madam Speaker. [*Desk thumping*] So, we wait to see in the Minister's revenue mobilizing initiatives whether Petrotrin would fall on the block under sale of assets, and we would ask him to indicate whether Petrotrin is on the books for sale of assets for revenue mobilization purposes.

So, what is the solution? Yes, there has been the decline in production started way back when, continued because matters take time to come on stream, and I will talk about some of the things that were done to bring back increases in the production.

What is the solution? The experts of the oil industry have said that we need more of the lease operator, farm-out type operations. These companies are small and nimble and they have a much lower lifting cost than Petrotrin.

The Opposition would like the Minister of Finance or the Minister of Energy and Energy Industries to say what is their position on the lease operator/farm-out programme and whether it would be utilized to increase production in the oil sector. Further, I ask that question because a major partner of the administration, the OWTU, whose president has openly stated that he is against the lease operator/farm-out programme who has, so far, remained strangely silent. So, we would like to get the Minister's take, either the Minister of Energy and Energy Industries or the Minister of Finance.

Madam Speaker, in October 2014 when the Partnership was in Government, we awarded some 64,000 hectares of land for the purpose of exploration to three companies. This was the first dedicated land-based bid round in 15 years. [*Desk thumping*] Work on these three blocks will commence in 2016, and we expect that as a consequence of this work these three companies will make discoveries of oil on land. These three land-based blocks, as well as the expanded lease operator programme will bear fruit in the coming years, assuming of course, that the Government does not further sabotage the viability of these projects and the life of the company.

I turn now to natural gas, Madam Speaker. On the issue of natural gas production, from late 2010 the main producers of natural gas in our country began to experience supply issues; these continue to the present day. They are related to factors such as maintenance and maturing reservoirs. It has been accepted that for the period 2008 to 2010, the major upstream producers went into hibernation as far as investment was concerned. The public record shows that from 2002 to 2010, the upstream companies and the Energy Chamber were literally screaming and then begging for new fiscal incentives. But the then PNM Government refused to facilitate with predictable results.

The records of this very Parliament will show, Madam Speaker, that during 2010 to 2015 in successive Finance Bills, the Partnership Government passed legislation that amended the law on 14 occasions to make the fiscal regime more competitive. [*Desk thumping*] These incentives, some of which were alluded to by the hon. Minister of Finance in his budget statement, have caused a resurgence of investment in the upstream sector. These changes to the fiscal regime have had the desired effect. According to Central Bank data, in 2010 foreign direct investment in the petroleum sector was just US \$501 million. For the year 2014 which we have the numbers for that figure for the petroleum sector related FDI, was US \$2.1 billion for a 4.4 increase—a four/four increase. [*Desk thumping*]

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One of the main projects in the energy sector is the Juniper project which is an investment of US \$2.1 billion by BP. This project was sanctioned in 2014 and work started on the construction of the platform in November 2014. However, the construction with the platform was disrupted by industrial relations issues. We trust that the Government will get this Juniper platform, the issues thereto related, off the ground, so that we can reap the benefits from the work being done by BP.

I turn now, with your leave, Madam Speaker, to the platform for the future. The Minister of Finance by his own admission stated that production from new wells and discoveries takes five years. By this logic the production issues of the last five years can be traced to decisions and indecision of the previous five years, that is the period 2005 to 2010. That being said, the former Partnership administration has left a platform for the new Government to build on.

Some of the initiatives of the last five years will show significant results in the years to come. Madam Speaker, the Minister of Finance would have to admit it, would hate to admit it, but the fact is that the PNM administration has inherited from the Partnership, a comprehensive natural gas master plan, which from all indications, it seems they plan to discard. However, this document was a product of nine months' work by an internationally recognized and reputable consultancy, Poten & Partners. It is meant to be used to guide policymakers and to guide the renegotiation of contracts with multinationals. It was done using broad-based consultation. It would be a crying shame, therefore, if the new Government should discard this work because it was conceptualized by the Partnership administration.

They have also inherited a deep water exploration programme that is well in train. This is being led by BHP Billiton. Seismic work is completed and drilling of eight deep water wells will commence next year. Even further, they have inherited a progressive forward programme of work from the upstream companies, most notably BP and BG, with investments in natural gas developments including the BP Juniper project, the BP Savannah exploration well to be drilled next year, and the BP Angelin project, which starts in 2018. There is also the BG Lobster exploration well that is being drilled as we speak. BG has also started planning a joint development of Blocks 5C and 5D, which is planned to deliver natural gas by 2019.

In addition, as we speak, BHP Billiton is doing work on its Angostura Phase III project, which is a US \$400 million investment. The upstream companies will be busy for the remainder of the decade, thanks to the fact that they were

reinvigorated during the last five years of the Partnership administration. [*Desk thumping*] They have also inherited a comprehensive national facilities audit of the entire energy sector that was again conceptualized under the Partnership Government. [*Desk thumping*]

So, the contract that the hon. Minister of Energy and Energy Industries spoke about between the Ministry of Energy and Energy Industries and DNV of Norway was entered into during the term of the Partnership Government. [*Desk thumping*] This audit will improve the physical asset base of the energy sector which is ageing. They have also inherited the Phoenix Park IPO from which all reports show a success. When we were in Government they were very critical of this IPO and said it would fail. They were wrong. In every category the IPO was oversubscribed. [*Desk thumping*]

In total, it is reported that there is some TT \$2 billion worth of subscriptions for what is a TT \$1.5 billion worth of shares. [*Desk thumping*] Given the uncertain international energy environment this IPO undertaken by the Partnership Government is a success. [*Desk thumping*] Indeed, Madam Speaker, in the draft estimates of revenue it proudly includes—moneys from this Phoenix Park IPO is included in the revenue. So, that is another revenue mobilizing measure which came out of the previous Government.

Madam Speaker, it is a fact that the energy sector, which they have inherited from the Partnership Government is in a positive position, even when the global energy price challenges are considered. [*Desk thumping*] But you would never hear them say that. Instead, they would do their utmost to claim credit for the positive developments in the sector that had nothing to do with them, or those on this side. Madam Speaker, I want to publicly sound the word of caution again, that they need to tread wisely and not jeopardize further the platform that they have inherited. [*Desk thumping*]

I turn now just briefly on the global economy and then I will take a look at the revenue measures contained in the budget and the expenditure measures contained in the draft estimates. The global economy, we all know, remains caught in the doldrums following on the financial crisis of 2008. The European economy remains flat, with several countries within the Euro area continuing to contract. The Far East is slowing with China, one of the major engines of the global economy, reflecting low growth. In fact, many analysts believe that the official Chinese numbers are overstated and the reported Chinese growth is even lower than stated. And last Friday the latest jobs report on the US economy, the one bright spot at the moment, suggests that the US could also be slowing.

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The policy of quantitative easing adopted by the advanced economies seems to have run its limit, and the potential that asset bubbles have been created as a result of interest rates remaining too low for too long has increased the risk of another possible financial meltdown. So, that is the global scenario in which we find ourselves.

Madam Speaker, can I get 38, please? [*Interruption*] Thank you. We see also in this scenario where the OECD countries are at a lost on how to proceed and the global economy could be on the brink of a major reversal. In this context, commodity prices have fallen, and commodity exporting countries have seen a reversal in fortunes. Trinidad and Tobago has felt the effects of the combination of the fall in the price of oil and gas, and the constraints in increasing output which I spoke about earlier. It is therefore not surprising that notwithstanding the forecast of growth for the local economy earlier this year by the international agencies, in fact the local economy seems to have contracted for the first half of 2015.

It is therefore important that in this context actions that could result in further contraction should be avoided and efforts are made to mitigate the effect of the restructuring that must take place, and its effects on the poor and vulnerable in our country. Unfortunately, I say with the greatest of respect, the positions stated in the budget give little hope that the current Government understands the problem or have any policy prescriptions that they can offer. Instead, we saw in the budget some manifesto promises plugged in, but apart from the revenue mobilizing mechanisms that the Minister mentioned, we see very little by the way of revenue creating measures presented in the budget. And perhaps when the Minister speaks he may go into more details as to what would be the revenue generating measures outside of the energy sector and apart from taxes. So, tax, tax and tax, that is the revenue mobilization method, but nothing in terms of revenue creation in the economy of Trinidad and Tobago so desperately needed at this time.

And so, when we were in office, Madam Speaker, we were able to return the economy to growth, to address the infrastructure deficit that we inherited, and we sought to get the energy sector moving again. While activity in the energy sector has increased several fold over where we inherited, output is yet to recover from the many years of neglect that we inherited. As we all know, the gestation time for the new investments in the energy sector is between seven to 10 years, and the challenges with output which we faced in 2012 had its genesis way back as at 2005. Now, based on the fiscal changes introduced in the last three years, several of the energy companies, as I said before, engaged in seismic studies. The positive

results from these, coupled with the facilitative regime, was introduced, has caused BHP Billiton to decide to commence exploration activity next year, and BP has commenced work on the Juniper field. However, the results of these will not come to fruition for some years, given the long gestation period needed.

So, I was somewhat disappointed to hear the Minister speak of changes that the Partnership has gotten into the fiscal regime, but that in fact has been the catalyst that has begun to restore the energy sector to life. [*Desk thumping*] These changes will certainly be one of the pillars on which future growth will be built. In the context of what is happening globally and our own local challenges, the process of balancing the budget must assume some level of priority, but we know that this must be done without dislocating the entire economy and without placing into greater jeopardy the poor and the vulnerable in our country. [*Desk thumping*]

We recognized that, Madam Speaker, and we started the process first by bringing the fiscal position close to balance this year, notwithstanding the price drops, the price shocks in oil and gas, and we had started the process for restructuring the economy with increased emphasis on public/private partnerships in the context of more stringent Government finances. So, before we left office, arrangements were put in place for several schools to be constructed, including early childhood centres, using the Peach Tree model with the assistance of the IDB. And indeed, we had turn sod for another Peach Tree project which was the HDC housing construction in San Fernando, which is engaged through the Peach Tree model.

Madam Speaker, the statements that have been made in the budget speech shows that the new Government at times seems to be more concerned with scoring political points than in dealing with the fundamentals facing the country. One of these points related, as I said before, to the Treasury being depleted. With the fall in the price of oil, the Government has had to deal with resulting cash flow implications. The fall in the price of oil from about \$100 per barrel down to—I think now it is about \$46—

Hon. Member: \$49.53.

Mrs. K. Persad-Bissessar SC: Forty-nine fifty-three, but in January as at \$45, so I am speaking in the 2015 downturn. That affected the cash inflows to the Partnership Government.

However, the cash flows of the Government remains strong, and with prudent management they can withstand the challenges that the country faces. Much closer management is needed now than a year ago or even five years ago. And so

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it is quite correct to say that prior to leaving office the Government's overdraft balance at the Central Bank had built up as a result of the fall-off in revenues. The Minister spoke about that.

The former Government was aware of this and had programmed cash inflows to deal with this problem. Again, the same matters contained in the budget statement at page 59 as revenue mobilizing mechanisms, however the Minister did not state the amounts to be realized from each of those measures, though he named them. One was the TTNGL IPO. From that, it is expected that \$1.5 billion—as I say the estimates of revenue does contain a number of \$1.5 billion coming from that. Close to \$4 billion from the loan repayment due from a state enterprise, \$500 million as tax dividends from another state enterprise—I think it is NGC—and in addition, the end of year tax payments conservatively estimated at \$6 billion was also due to come in at the close of fiscal 2015. And also, arrangements had been made for a \$1 billion loan to deal with any issues of delayed time in any of those expected receipts at the close of fiscal 2015.

So, the effect of this was that the cash inflows over the seven-week period from September 07, was projected to have been about \$13 billion. [*Desk thumping*] Now, this was sufficient to put Government in a strong cash position and to provide operation cash flow to Government, given that the budget would not be approved until the end of October. However, the projected cash flows needed to be strongly followed up and needed to be properly managed to bring them to book within fiscal 2015. Obviously, that was not done.

It should be noted that the inflows from the IPO, the dividends, taxes and so on that I mentioned, would not only have tide the Government over the period to the end of the fiscal year, but would have resulted in a very good fiscal out-turn for the 2015 fiscal year. Given that these are now carried forward into the 2016 fiscal year, it is clear that the arrangements have been made and are still there on the basis of what was done by the Partnership Government in 2014. [*Desk thumping*]

Now, given that the Government had shown a balanced fiscal out-turn for the first six months of the last fiscal year 2015, with a small surplus of \$47 billion which had deteriorated slightly to a deficit of about \$1 billion for the nine months to June, a cash inflow of \$2 billion prior to the end of September would have resulted in the Government showing a far better fiscal out-turn for fiscal 2015, than any of the rating agencies would have expected, given the fall in the oil and gas prices.

11.00 a.m.

Now, I note that the Minister said that the figure has ballooned to \$7 billion. Although I am aware that the figures are only an estimate, given the budget

numbers for 2015, revenue and expenditure, and that they would have been prepared before the end of the fiscal year, again, I say the Minister needs to provide a detailed accounting of this change during his winding up.

I have noted that part of the increase seems to have arisen from the increase in capital expenditure. And so, we ask the Minister to explain how a further \$4.5 billion in capital expenditure occurred in three months when only \$3.9 billion was spent in the previous nine months. [*Desk thumping*] And we ask him to give his specifics on the amounts, the purpose and the dates on which the major payments were made. We look forward to his explanations, since, whilst it may be good politics for him to say that the Partnership Government was profligate in its spending, I think we need to remember that whatever he says is carefully monitored by rating agencies, and therefore can impact on our international standards.

Going forward, I want to emphasize the exceptional cash flows to be generated from the resolution of the CLF and Clico crisis. These can be used to repay debt or to assist with the management of cash flows as Government brings the management of the economy in line with sustainable cash flow generation. In addition, we should note that the country has strong financial buffers which I mentioned before: the HSF, the Gross Official Reserves and, of course, the unemployment rate down to single digits, is perhaps one of the lowest in the world. [*Desk thumping*] Debt to GDP now stands— [*Desk thumping*] that is the unemployment rate is amongst the lowest in the world. The debt to GDP is at 46 per cent now.

So, the new Government with astute management of the economy, they can weather the tighter cash flows and they can bring the economy to a sustainable level in the face of lower revenues. However, Madam Speaker, I am not at all confident that that Government is up to the task or has the capability to manage the current situation [*Desk thumping*] as far as the proactive management of cash flows are concerned. And the extent of that inability to understand is demonstrated when the Hon. Minister spoke of the cash balance when they demitted office in 2010 and did not refer to the billions of dollars owed to contractors and funds needed to be injected into Clico. As I have said, while the Minister spoke of a \$5 billion debt arising on wage negotiations, he did not adjust for the payments that have already been made to teachers and payments made partly to the civil service workers, nor did he adjust for the fact that approximately 20 per cent of the payments are deducted as taxes prior to actual payment. So the net effect is considerably lower than he stated. Therefore, I would like the Hon. Minister again, in his winding-up, to show us how he arrived at the \$5 billion debt needed to pay workers' salaries and wages.

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As a consequence of any inability to manage an economy which has to face some challenges of the changes of the global economy, we do not doubt that when the new budget, the real budget and the other half of the budget comes in the next few months, that every attempt will be made to blame the inability to manage the situation on the Partnership Government. The current environment calls for proactive management, visionary leadership and the ability to create partnerships—[*Interruption*]

Dr. Gopeesingh: Madam Speaker.

Madam Speaker: All Members, I am on my legs. [*Crosstalk*]

Dr. Gopeesingh: Madam Speaker, 53(e), (f) and (g).

Madam Speaker: Is that a point of order?

Dr. Gopeesingh: Yes, Madam Speaker, 53(e), (f) and (g).

Mrs. Persad-Bissessar SC: Excessive crosstalk.

Madam Speaker: I would just like to remind all Members of this honourable House of the Standing Orders, 53, and ask that we observe these, so that the contribution can be completed.

Mrs. K. Persad-Bissessar SC: Madam Speaker, I thank you very much for your intervention. You know, Madam Speaker, sometimes when you cannot take the heat you tend to explode, [*Desk thumping*] and I am seeing that very clearly coming from the other side. But when you are in the kitchen you have to feel the heat, so we shall continue and I thank you for your intervention.

Madam Speaker, I am saying that the present environment calls for proactive management, visionary leadership and the ability to create partnerships with stakeholders throughout the economy. It also requires, especially, that the poor and vulnerable are not unduly impacted, not only because this is morally justifiable, but also because it ensures a social stability and continuing commercial activity which keeps business activity going.

Madam Speaker, the Partnership Government had shown that it is possible to balance the fiscal out-turn—the Partnership Government of 2010 to 2015, now continuing in opposition, Madam Speaker, we have shown that it is possible to balance the fiscal out-turn notwithstanding lower oil prices and also that we had a clear plan for ensuring that the economy continue to perform strongly in the years to come. [*Desk thumping*]

What have we received, Madam Speaker? It seems that driven by the need to condemn the previous Government, the Minister of Finance has completely abandoned the Government's responsibility to lead us in these difficult times when an economy is impacted by global events beyond our control. We had refused to be hysterical or to panic the population when energy prices fell rapidly at the start of fiscal 2015. We took appropriate measures. We preferred to guide or help the mental adjustment to the facts of turbulence in the world economy and the resulting decline in real revenues from the energy sector. And here it is, in some ways, it seems that the Minister presents an irresponsible, internally contradictory budget statement which seeks to continue the adversarial election campaign, does not appear to want to unite the people of the country for the necessary adjustment or the change in thinking and ideas that must be imperative if we are to transform our economy from dependence on energy.

And so it is a farce really and exceedingly dangerous to blame the previous Government for the recession in China, for the global financial crash or the other geopolitical factors responsible for that dramatic decline in oil and gas prices. To blame me or the previous Government for the state of the world economy, generally, or the energy market, particularly, is nothing but irresponsible and does not lead to a national consensus of how we must all adjust in work to transform our economy from dependence in energy.

Indeed, the Minister appears to be setting the stage for when his plans fail when he places the responsibility on the shoulders of the private sectors and he says, and I quote—on page 56, out of the same budget statement, I quote:

“The recovery of the economy will depend critically on the reaction of the private sector to the improved business environment and other measures being introduced to ease the labour shortage and improve productivity, and we ask the private sector to partner with the Government to make its share of the required investment to bring about economic revival.”

Sadly, Madam Speaker, and I say with due respect, there is little in the budget to generate business confidence, to motivate significant investment and, in fact, nothing in this budget which if implemented successfully would ease the labour shortage and would improve productivity.

I turn now, Madam Speaker, to foreign relations, again mentioned by the hon. Minister when he said, and I quote:

“...restore our international reputation-especially with investors, multilateral institutions and credit rating agencies.”

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Whilst there may have been changes with respect to economy, there have been minimal ratings adjustments, our country's international ratings remain very strong. [*Desk thumping*]

You may recall, Madam Speaker, in recognition of this the leaders of two most, two powerful Asian nations: Japan and China, visited our shores and pledged bilateral cooperation in areas of diplomacy, [*Desk thumping*] economics and cross-cultural collaboration. In July 2014, His Excellency, Shinzō Abe made a courtesy call and visited with us here in Trinidad and Tobago. In addition, President Xi Jinping of China became the first leader of that country to visit Trinidad and Tobago. [*Desk thumping*] Additionally, the Vice President of the United States, Joe Biden, upon the direction of President Obama, also visited Trinidad and Tobago as part of his three-country trip to reinforce partnerships in the Americas. This is indeed a testament of TT's stellar reputation as a global leader despite being a small-island state. [*Desk thumping*]

I note also that within our administration we were able to negotiate for the waiver of the Schengen Visa for Europe, which means that any T&T citizen travelling to Europe will not require visa. I think it was about 28 countries, the waiver for the Schengen Visa. [*Desk thumping*] Great feat in terms of foreign relations negotiated. Also dealing with, again, in this area of foreign relations, foreign direct investment, perhaps this is one of the best indicators of confidence in the country's economy in the form of FDI.

Trinidad and Tobago is a regional leader in foreign direct investment, and under the previous Government in Trinidad and Tobago, FDI grew consistently to historic levels. In fact, according to the UN report, Trinidad and Tobago alone accounted for 27 per cent of total global FDI inflows amongst small island development states in 2014. [*Desk thumping*] And so we will see FDI inflows—this is total. I had spoken earlier about FDI inflows into the petroleum sector, these are as a whole, into the economy FDI inflows: 2014, US \$2.4 billion; 2013, \$1.99 billion; 2012, \$2.45 billion; 2011, \$1.83 billion; 2010, \$0.54 billion; 2009, \$0.7 billion; 2008, \$2.8 billion and so on. So we were able through our five years in office to increase foreign direct investment inflows into the country.

In addition to that, we were able to negotiate several global partnerships in trade. In the last five years, under the previous Government, which I led, Trinidad and Tobago strengthened and enhanced our position in global trade. This is evidenced by multiple bilateral trade agreements and partnerships with regional powerhouses, such as Guatemala, El Salvador and Panama. All of these we were able to negotiate and brought into effect a partial scope agreement with

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Guatemala, with El Salvador. A partial scope agreement with Panama. We have formalized a partial scope agreement there as well and we formalized diplomatic links and we indeed opened a diplomatic mission in Panama.

So those are areas with respect to foreign relations. So again I say, we have left the country on a sound platform, on a sound footing and we look forward to the advancements that may be made by the new Government.

I turn now, Madam Speaker, to issues of expenditure, and I will look at the Draft Estimates of Expenditure for Financial Year 2016 as compared to 2015 contained in this volume. And I turn to national security, because you see much is being made of the great increase in the allocation to national security, great increase in that—\$10.8 billion.

In his budget statement, the Hon. Minister said, at pages 31 and 34:

“...reduction in crime represents the foremost demand by our citizenry.”

At page 36 he said:

“Our first priority is to establish an optimal security apparatus...”

He said again:

“Consistent with our policies, I have made...appropriate allocations to the various sectors...”

National Security \$10.810 billion...”

To tremendous—[*Desk thumping*]

Now this news, Madam Speaker, was welcomed by many throughout Trinidad and Tobago as national security appeared to have received the biggest slice of the budget. In an immediate response, the hon. Prime Minister took to the forefront, as reported in the printed press and carried live interviews post budget statement, to herald that the biggest slice was for crime and national security.

11.15 a.m.

The headline in the *Trinidad Guardian*, October 06, 2015: “Biggest slice for crime control—PM”—is the headline. In their VOX POP on October 07, the *Guardian* asked: “How should the Gov’t prioritize the \$10 billion allocated to reduce crime?” The editorial in the *Newsday*, October 07:

“One of the most striking aspects of the Minister of Finance...maiden Budget is how the overall allocation for National Security...”

According to Prime Minister Dr. Keith Rowley’s count, it is the first time since 1956 that the National Security budget has been so supreme.”

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And you see, here again, the facts and the figures are very stubborn things. They will eventually drown out any fiction, and it is to the facts and the figures that we turn.

Firstly, we have to understand that the \$10.8 billion allocated to National Security is composed of several things. The new Government collapsed the Ministry of Justice into the Ministry of National Security. So all the Heads of expenditure that would have been in the Ministry of Justice—the majority of them—were transferred to the Ministry of National Security.

In the 2015 Revised Estimates, the budgetary allocation for expenditure was \$1.1 billion. So, first of all, an additional \$1 billion is now catapulted into the Ministry of National Security. But it goes further than that, because you see, in addition to those items for the Ministry of Justice, sub-heads from other Ministries were also thrown into the Ministry of National Security. So first of all, the Ministry of National Security's allocation is augmented with that from TTPS. It is separate, but that gives you the national security, or the crime-fighting initiatives. It is augmented by the Ministry of Justice's estimates and it is further augmented by matters coming from other Ministries that have existed.

So, for example, Probation Services out of the Ministry of the People and Social Development has now been catapulted into the Ministry of National Security. Lifeguard Service from the Ministry of Tourism has now been catapulted into the Ministry of National Security. The Criminal Injuries Compensation that was in Legal Affairs is now thrown into National Security. The National Operations Centre from the Office of the Prime Minister has also been mixed into the Ministry of National Security.

I make no comment as to the rightness or wrongness of these insertions into National Security. My concern here is with dealing with what is seen as the unprecedented \$10.8 billion being allocated to the Ministry of National Security.

So this is the state of play, Madam Speaker. The manner in which it is comprised is one area that we looked at. In addition, the total allocation then, under the previous Government, for National Security would have been in the region of about \$8 billion-odd. So the increase to \$10 billion—and I will come to how that additional amount would now be placed in there.

The increase in 2016, as I say, is because several Sub-Heads have been brought under the Ministry of National Security from other Ministries, and the increase is also because of the increase in Personnel Expenditure—Wages and Salaries—which we negotiated and settled for all the protective services under the

previous Government. [*Desk thumping*] Therefore, I call upon the Minister of Finance and/or the Minister of National Security should he speak in this debate, to show us what new have you done in the fight against crime, given that it is your priority?

The increase can be accounted for, as I say, from bringing in the other Heads of expenditure from other Ministries but, equally important, if not more important, that increase comes as a result of wages and salaries for the protective services. And if we were to look at the Draft Estimates of Expenditure for the financial year 2016, we would see that Personnel Expenditure, which is under Head 22—National Security Personnel Expenditure—there is a variance from 2015 of \$2.542 billion, which is again, wages and salaries and matters related thereto.

So what, within your expenditure pattern does this \$10.8 billion—what is new? Indeed, even the ships that we ordered from Damen, they have kept them in here—

Mr. Imbert: On trust.

Mrs. K. Persad Bissessar SC: And it is totally incorrect to say it is on trust. I did not intend to get there but I can look at it. Can we look at Development Programme, 2016? In 2015 your own books, your own records show that payments were made on the China vessel and on the Damen ships. Payments were made, and you have now included further payments to be made on the Chinese vessel and on the Damen ships. The Chinese vessel has not arrived, but you include it in your estimates and you are going to pay for it. That is what you said. [*Interruption*]

Madam Speaker, incessant—I would not even say it is excessive now, I think it is incessant from the Member for Diego Martin North/East. You will have your chance to respond, Sir. You will have your chance.

Madam Speaker: Hon. Member, I am on my legs. I would ask the Members of the House to please observe the decorum of the House. Allow the Member to continue her contribution. And while we understand that there would be some crosstalk, we ask that you abide by the Standing Orders and restrain yourself from excessive crosstalk. I would not want to invoke the Standing Orders. Please.

Mrs. K. Persad Bissessar SC: Thank you very much, Madam Speaker. In their own estimates provided, we see under the Development Programme coming out of the Consolidated Fund, payments for those two sets of vessels. This is to be found at page 68 of the Draft Estimates of the Development Programme, out of

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the Consolidated Fund. In 2015, \$77 million had been paid on the acquisition of one multipurpose vessel. This was from China, and the acquisition of naval asset, \$557,184.144 was paid through the fiscal 2015 moneys. And it is now estimated for 2016, additional amounts to be paid. So those vessels, Madam Speaker, from their own estimates, show that they were paid.

So I would like to see—the Minister spoke about the optimal architecture and porous borders and locking down the borders and so on. What new is in here? Salaries and wages give you an increase, yes; bringing other Sub-Heads into the Head, National Security, gives you an increase, but from this, there is very little in terms of new crime-fighting methods.

In fact, if we were to look at the Development Programme we would see, whereas in 2015—and what I have done is to combine the Justice Heads with the National Security Heads and so on. We would see that there is, in fact, a decrease in the Development Programme in certain areas. Now, I noted there are a few items in it for a fingerprinting facility for Immigration, for passports. And by the way, this 10-year passport—

Hon. Member: Yeah, “who do dat?”

Mrs. K. Persad Bissessar SC: You know, since August, the Government of Trinidad and Tobago has been issuing 10-year passports. [*Desk thumping*]

Hon. Member: August 01.

Mrs. K. Persad Bissessar SC: You know, I was supposed to bring one and show you but we will bring it another day, Sir. We will get one and show you—since August. [*Crosstalk*]

Then now, we see again—as I say, we all welcome this great increase, but there is very little in there for any new crime-fighting initiatives. I was saying— [*Crosstalk*]

Madam Speaker: Hon. Member for Diego Martin North/East, please, I am hearing you.

Mrs. K. Persad Bissessar SC: Thank you, Madam Speaker. I would welcome any intervention from the Minister of National Security to point at any new initiatives for crime-fighting as contained in that tremendous increase in the National Security budget. That, I think, has been really—some people may call it a hoax, but I would not go that far, Madam Speaker. And they are boasting of how this great increase is now—you are now ready and you put all your money—the most money into fighting crime—very little. Some people may call it a deception—yes, deception.

I dealt with that—with expenditure—and, in fact, there are many other areas of expenditure in which the numbers are deceptive and I think other Members in their contributions would go into those, but I thought it important to speak to the national security matter because it is an area that concerns every single citizen in this country. The fight against crime remains a priority.

Revenue measures now, Madam Speaker. So other expenditure matters, other Members, I trust, would speak on those. Revenue matters—these are the taxation measures introduced in the budget. An increase in personal allowance for all individuals from \$60,000 to \$72,000. Now, since individuals would have been paying 25 per cent tax on this additional \$12,000 before the budget, the effect of this increase will add \$250 per month. It is more disposable income into the hands of those taxpayers. That effect would give you, as I say, \$250 per month, and that works down to the very princely sum of \$8 per day which PricewaterhouseCoopers say will boost consumption and this should contribute to much needed economic growth.

But you know, Madam Speaker, I am not sure if you eat “doubles”, but that \$8 per day cannot even buy two “doubles”, and I cannot, therefore, see the explanation being given that by doing this you will boost consumption and so contribute to much needed economic growth. I am sure there are far more impressive measures for dealing with economic growth. So the reality, however, is that the additional VAT; the increase in fuel costs; in the business levy; in the Green Fund levy and NIS, effectively negate any benefit hopeful citizens could have received from this measure of the increase in the personal allowance.

I turn to the increase in the rate of the business levy. The business levy was primarily aimed at persons and businesses reporting losses and who would therefore be remitting no corporation or income tax as a result of the unprofitability of their business. The proposed increase in the rate by 200 per cent for the business levy constitutes the highest rate of business levy since its inception. This will increase the tax liability of those persons whose businesses are already making a loss or negligible profit in the current economic climate. With the rising cost of doing business, falling revenues and profits, this penalizes the small and medium-sized businesses and may, in fact, contribute to them going out of business. That could be seen as another penalty for small business development.

The Minister, however, in raising this tax, seems to recognize the adverse effect this budget will have on small and micro enterprises, that is, sending them out of business, because how else can we explain that with an average of \$2.19

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million revenue from this business levy between 2010/2015—the average per year \$219 million—the tax is raised by 200 per cent but in the Estimates of Revenue for 2016 under the Business Levy, it is estimated not at a commensurate 200 per cent, but instead at 175 per cent of that? So how can you raise the business levy by 200 per cent, but you do not get an increase in revenue of the 200 per cent—instead a lower revenue? And is it then that those businesses will—we expect businesses to be going out of business.

How exactly do we arrive at the estimates given in this book, Revenue Estimates? Is it that more SME businesses will simply close their doors because they cannot afford to pay this increase of 200 per cent?

And the suspicious online trend continues when we turn to the Green Fund Levy.

11.30 a.m.

With the Green Fund Levy at 0.1 per cent, the average over years 2010/15 was \$354.7 million per year. The Minister increasing this tax by 200 per cent should also have netted an increase revenue of 200 per cent. Instead again, in the revenue estimates, the Minister's 200 per cent increase in this tax, according to him, will yield \$544.5 million, and that is significantly less than the 200 per cent which would have been \$709 million that should have been netted. So again you have a 200 per cent increase but no reflection of that revenue at 200 per cent, and instead lower than the increase in the tax. So where is it going? Where is that money going if it is that you have increased it? I am hearing mumbling and muttering, perhaps he will explain what has happened to it. [*Desk thumping*] So how did he arrive at these calculations? What is he telling us? Or is it then that he is really projecting that fall in the revenue because, again, businesses closing their doors and not continuing in business. It is obviously this cost may be passed on to the consumer by way of even higher prices.

I turn now to VAT and, again, this to me is very deceptive with the greatest of respect, the numbers for the VAT. The first thing the Minister did was to increase the registration threshold. He said the effect of increasing that threshold and so on to \$500—yes?—to \$500,000, yes? So a business would have to be earning \$500,000 in order to register, pay VAT and claim VAT. You see, that is the point of it. So by increasing it to \$500,000 this constitutes an increase in the cost of doing business, because for small businesses and new start-ups they will not be able to claim their input VAT through the VAT system. They lose that. So, they would have been able to claim—as you know when you pay VAT you can claim back

VAT. They will have to pay VAT on their goods and services that they have acquired, but they will not be able to claim their input through the VAT system. So again, you are cutting down their earnings.

This does not affect existing big businesses, but when this is tied to the Betting Levy and the Green Fund Levy it constitutes what could be called three strikes, a triple whammy, against the small and microenterprise businesses. And so, every small retail outlet, every person with a small business—a parlour, a shop—you will feel the brunt of this triple whammy. If you are a big businessman it would not matter to you because you will cross the limit, you will be able to reclaim your VAT. Of course, pay your VAT and reclaim it, and in any case the big business does not pay the business levy because they pay corporation tax. So what would happen to those who have currently abided by the law and registered but they have not crossed the \$500,000 threshold? Would their VAT registration be automatically cancelled; and should they have claimed any VAT back? Would they get it, those who are already in the system under the lower threshold?

I turn on the same VAT issue now to this whole business of the reduction on VAT. The reduction of VAT from 15 to 12.5 per cent is for the benefit of whom? Already the items which may be described as essentials, foodstuff, medication, et cetera, they are zero rated, they are VAT free. So it is more likely that persons involved in the purchase of luxuries and non-essentials would be the ones who will benefit from a reduction in VAT. What the Minister of Finance is really offering the population is an increase in the money every person spends on VAT, because the vulnerable, the poor, the single parent, the households, those most in need are now going to be penalized by having to pay VAT on a range of secret items because we do not know what they are. They have secret items that they will now put this 12.5 per cent. So you are going from 0 to 12.5 per cent. At the moment no one knows which items those would be. So it would appear that they are using the VAT as a weapon against the vulnerable, and therein lies, I think, the fundamental difference between our Government and the present Government.

In 2008, whilst I was in Opposition, I contributed to a Motion brought by then MP Harry Partap on high food prices. I pointed out that under the previous PNM Government, between 2002—2007, food prices had increased by over 200 per cent. At that time, I called for the removal of VAT on all food items in the short terms whilst we work towards increasing food production. I am very proud to say that under our previous Government we took a decision to improve the livelihood of every citizen and we removed VAT on all food items—7,000 food items [*Desk thumping*]*—making clear that luxuries remained subject to VAT.*

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Here it is now this new Government is seeking to undo that protection for people in their very first budget not only by raising the prices of food and other items on their secret list by the 12.5 per cent, because it is a fact—yes, because we do not know. Madam Speaker, I will demonstrate why it is deceptive to say that you do not know what those items will be and I will come to that in a moment. It is a fact that prices will escalate by substantially more than the 12.5 per cent as a consequence of this action. And so, we see the level of deceptiveness within the numbers.

The Minister announced a reduction in VAT. He glossed over the fact that the average citizen will in fact have to be paying more for food, basic item in the grocery, and obviously food inflation will increase. The Minister already knows what items will now become Vatable. And I say he must know because he was able to calculate what the tax returns would be. He was able to tell us what the tax returns would be, and you can only know that if you know which items you will collect the tax from. [*Desk thumping*] That is why I say a secret list. And so, we call upon him to tell us what those items are. I am sure the population would want to know, and I hope they do not end up like the day before the budget.

You know I remember years ago we had a standing phenomenon happening in this country. Before any PNM budget, all the cars would line up outside the gas station. You know for the first time in five years, on Sunday before Monday's budget, it happened again. [*Desk thumping*] It happened and it continued into Monday, Madam Speaker. It continued. And not only that, people lined up and some gas stations ran out of gas. Back again, back to the future with the PNM administration. You know when we came to the Parliament on Monday, Madam Speaker, it cost us cheaper to get here than when we left this Parliament. It cost us more because the gas prices had gone up at the pumps. And so, I am saying I come back to this VAT issue. I am saying in order for the Minister to tell us what the out-turn is going to be from the increase in the VAT and so on, the Minister must know what those items are in order to calculate it.

The list of zero rated items as contained in Schedule II of Chap. 75:06 included food, and so we call upon the Minister to tell us which foods he is going to give from zero to 12.5 per cent. Is he going to force citizens to pay more for coffee—is that a luxury item?—sardines, curry, corned beef, ketchup, Crix, macaroni, cooking oil, salt fish? Which of these items may be classified? We ask the hon. Minister to let us know. There are items within the zero rated which are to deal with health items: prescription medicines, pharmaceuticals, diabetic equipment, equipment for injured or disabled, eye wear. Which of these will now attract 12.5 per cent?

In agriculture there are others as well. So in each area, the 7,000 zero-rated items, we ask the Minister to tell us which ones. I know that books also attract zero rated, renting of properties, construction equipment, information technology within the communication and networking field, marine equipment, sports equipment and so on. Which of these will now or will soon attract the 12.5 per cent?

Madam Speaker, I selected some of these items because the removal of VAT from them effectively contributes to the welfare of at-risk citizens as in the case of food, transport, water and sewerage, or indirectly as in the case of books and construction equipment and so on. And so the multiplier effect of this proposed institution of VAT on these items is a retrograde step, which will have obviously inflationary repercussions, undoing the years at which we were able to keep inflation in this country at single digits. [*Desk thumping*] Madam Speaker, again the deception is in the numbers.

Income from VAT. The Minister in his budget statement was very clear at page 63. He said:

“The combination of widening the base...increasing the collection and compliance and reducing the rate”—that is the VAT—“is expected to yield...\$4 billion.”

How did he arrive at these calculations? Which ones of the items has he already identified to make it up? So in other words, citizens will have to pay an additional \$4 billion in VAT as a result of these measures, and that is bad enough if the Minister's words are to be believed. But can we believe him that it will yield \$4 billion? As I said, the deception is in these numbers. In this, the revenue estimates for 2016 at page 9 of the Draft Estimates of Revenue, we see under the Head, Taxes on Goods and Services, Sub-Head 07, and this is Value Added Tax. So this book tells us how much revenue is estimated to come from the reduction in VAT by the way, and we will see here that the Value Added Tax under Chap. 75:06, the estimated revenue is not what the Minister has said.

In 2015, the revised estimates was \$6.7 billion. Remember the Minister said he will get \$4 billion. In this book it says, at page 9, that the 2016 estimated revenue coming from the reduction in VAT and putting VAT unto zero-rated items will yield \$12.3 billion. And so, the Minister needs to explain how have you reduced VAT to 12.5 per cent and yet you intend to get double the revenue—that is one point. The other point is that the Minister misled or misspoke when he told the House that it would be \$4 billion. Is the Minister of Finance correct in his speaking; or is the revenue estimates correct? Which one should we believe?

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As we come down to the end—[*Interruption*] you know, the Minister seems to be very concerned about alcohol. At the moment, alcohol is rated at 15 per cent VAT before you reduced it to 12.5. [*Desk thumping*] [*Interruption*] At present up to your budget, people in this country—

Madam Speaker: Order! Order! Members!

Mrs. K. Persad-Bissessar SC: You see when we were doing the 7,000 items we were very involved—then Minister Bharath, myself and others—in going through the items to leave out what we thought were luxury items and others, and therefore, all these items you were paying 15 per cent VAT, they have now decreased all items to 12.5 per cent.

Madam Speaker, please!

Madam Speaker: Members, please let us get on with this. I call upon the hon. Leader.

Mrs. K. Persad-Bissessar SC: Thank you very much. I would not be on my legs much longer, Madam Speaker. [*Desk thumping*] And so, we were speaking about the Value Added Tax and the fact that the Minister talked about \$4 billion more, when in fact there is almost \$6 billion more.

And so at the point of writing his budget speech the Minister was fully aware that the revised estimates of VAT revenues in 2015 was \$6.7 billion. At the point of telling us, he was fully aware that the additional VAT revenue he expects to get was not four but \$5.7 billion. And so, which one to believe, Madam Speaker?

11.45 a.m.

And that is why he has not specified the list of items which he would deem non-essential and which would now face an increase in price overnight of a minimum of 12.5 per cent, and because we have to also include the cost of the business levy, the Green Fund levy, fuel prices, NIS and other costs. Another point to consider is that while the Minister says the items that he thinks are not essential, he still thinks that it would result in VAT revenues almost doubling. And so again, Minister needs to explain how he calculated the numbers which he shared with us.

Madam Speaker, the Minister revealed that the PNM budget deficit was \$21.4 billion. In other words, he plans to spend \$21.4 billion more than what he said the revenues were. He proposed to generate \$18.6 billion from a series of sources, the majority of this, the \$13.4 billion comes from—again, and those are measures at

page 59. As such then, the only real initiatives the Minister was able to introduce to generate revenue to spend on his vanity projects came from the listed items on pages 58 and 59 of the budget speech.

Again, let us just examine those very quickly. Minister spoke about the start of reform of the VAT system. I have already spoken about that. He spoke about enhanced tax collection, fuel subsidy reduction, increased business levy, Green Fund levy, and property tax \$200 million. And I just want to pause for a moment on that property tax of \$200 million. Again, we go to the bible when we want to see what are the sources of revenue, and if we go into property taxes, we would see the Minister has estimated to get \$200 billion under that heading.

Hon. Members: Million.

Mrs. K. Persad-Bissessar SC: Two hundred million dollars from that.

Hon. Member: “Yuh not hearing or what? Yuh not hearing properly?”

Mrs. K. Persad-Bissessar SC: Well, it is not in the speech, I am just ad-libbing it right now. Two hundred million dollars for property tax. But what is very strange, it is not contained under the Sub-Head Lands and Building Taxes, which is the old law; it is not contained under Property Tax, which is the law that the hon. Minister said they intend to implement. That is the law that was passed but not proclaimed. Instead, there is a strange Sub-Head which says Industrial and Land Tax estimated revenue \$200 million. I would ask the hon. Minister in his winding-up to say when and where and how was that tax levied, on whom would it be levied and what is the criteria for such a measure being introduced? So that is one of his mobilization methods for revenue.

So the Minister wants to get \$5.2 billion from these sources of revenue. And he needs to tell the country—you know, he talked about \$6.7 billion and did not include any anticipated revenue from taxes on gaming and so on. Again, we want to find out the details—as they say, the devil is in the details, Madam Speaker, and we would be very happy if the Minister would provide those details.

The Hon. Minister spoke about transparency and accountability for public expenditure in his budget speech. He talked about careful screening and review and containing expenditure and so on. He talked about adjusting expenditure downwards by \$3.7 billion, bringing the total expenditure for 2016 to \$63 billion, inclusive the \$5 billion in arrears. But it appears that somewhere in a blink of an eye, he makes \$100 million disappear; \$100 million just disappears when he speaks of this. You see—and then we have to ask, but where did that money go, the \$100 million.

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And he talks about 63.1 but on another occasion, he stated very clearly that the expenditure was \$63 billion. Now, you may say that it was an error or a typo, but not only is it written in the text, the Minister said it in his speech, that expenditure would be \$63 billion, and when he did his calculation, to bring the expenditure up and adjusting and so on, we are looking at \$63.1 billion. I will ask one of the others to go into more detail with that because I do want to close, in the final moments that we have, to talk a little bit about the rapid rail.

The Member for Diego Martin North/East, the Minister of Finance, in the post-budget media briefing held right here in the Parliament on Monday said and I quote:

“We are convinced that our studies and figures are accurate and we simply want an international agency to confirm and validate our numbers.

Our target is to initiate commencement of this project by the end of September 2016. We are giving ourselves a year to make sure all the costings are correct, the approach is correct and to secure a contractor.”

And so I want to ask: what studies and figures are the hon. Minister referring to when he made that statement? Is it the disastrous multimillion dollar Parsons Brinckerhoff Quade & Douglas Comprehensive National Transportation Study and the Mass Transit System Study that this entire rapid rail scheme is being based on? Is it the same CNTS study that the hon. Minister of Finance was forced to admit in the other place on May 08, 2007, was unsatisfactorily executed by Parsons Brinckerhoff but nonetheless he went on to give the same company the job to conduct the \$37 million mass transit study.

A *Newsday* article, March 25, 2010 says:

“With nothing substantial to show, except for site visits by the...(EMA); persons doing field surveys and a letter and questionnaire from...(NIDCO), to possible affected persons, reports indicate that the Rapid Rail Project has already cost this country’s taxpayers more than \$500 million in consultancy fees.”

That was in 2010.

Madam Speaker, it should not be lost on the population that the Minister attempts to justify his unsubstantiated decision to pursue the rapid rail and to do so expeditiously by reference to the IDB. And he said they have offered to finance this project and the IDB does not finance projects of this nature unless they are satisfied that it makes sense. He committed his Government, he said, to consult with the population at large in all matters of national interest as we move forward.

I challenge the Minister to tell the country when he consulted them. Whom did he consult? Were the maxi-taxi associations aware of the threat to their livelihood because they are now saying they were not consulted? Is the likely rush to remove the subsidies a way of motivating the population towards increasing the cost of transport, thereby making the rapid rail financially viable? I would ask the Minister to tell us: who is the “we” involved in the project? Who is the “we” that just happens to have updated studies and figures for a project not justified five years ago? I ask the Minister to show us the studies and figures and release the information to the public. After all, it will be taxpayers’ money. And so, we would look again at that rapid rail project.

I want to look at something that is a cost discrepancy. The Minister spoke about—that he would remove all traffic lights from Port of Spain to where?

Hon. Members: To Sangre Grande.

Mrs. K. Persad-Bissessar SC: To Sangre Grande.

Dr. Moonilal: “But it has none from Port of Spain to Grand Bazaar.”

Mrs. K. Persad-Bissessar SC: Well, first of all, let us say we had already removed from Grand Bazaar to Port of Spain. [*Desk thumping*] Those have already gone. But what is interesting is whilst he is touting this rapid rail project, he is talking about removing all the traffic lights, which is the same route that the rapid rail will follow. So are we going to have the double cost of removing all the lights down to Sangre Grande as well as the cost of doing your rapid rail starting next year? That would seem to be duplicating costs if it is that the rapid rail is really to replace the road route that is being used and utilized by everyone.

So with those words, I wish to close as I thank you, Madam Speaker, for your patience in allowing us to make this contribution. I want to thank Members on my side for their input and their suggestions and contributions. May I say as I close, in the many years that I have served this country, I have tried in every action—as an alderman, as an MP, as Prime Minister, as Leader of the Opposition—to ensure that our actions are always directed to those who are most vulnerable. This budget, while purporting to spread the burden of the structural adjustment measures the Minister seems inclined towards, appears to most severely penalize those very persons least able to bear it—the working class and the middle-income class.

Hon. Member: Small businesses.

Mrs. K. Persad-Bissessar SC: And small businesses.

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The budget, in my respectful view, is inflationary. It will erode the purchasing power of citizens, undoing work done over the past five years in containing inflation rates to single digits. It contains no policies designed to stimulate business, tourism or any other sector. It contains no plans to treat with the rampant murder rate which appears to have escalated since they came into office. In fact, I am told—I am reading that September was the bloodiest month in history. The budget appears designed to punish the vast majority of our citizens whom they chastised at the start but will affect every man, woman and child.

What is perhaps worse is that the hon. Minister admits that more severe measures are forthcoming. So if these measures were not bad enough, the hon. Minister says there are more severe measures to come. And he does that while pushing vanity projects like the rapid rail, the property tax, the revenue authority and so on and a port at Toco for which he belatedly admits no feasibility has been done. This will only get worse. The Minister clearly has his priorities and we have ours on the Opposition side. We intend to and we will continue to, as we say, uphold our oath and to deal with the issues that confront us in this Parliament. Again, I thank you very much. We are not in Government, they are in Government, and I wish them well in their endeavours to grow the economy and to improve the quality of life of all of the people of Trinidad and Tobago.

Now, the last time I made a contribution as Leader of the Opposition in the budget debate in this Parliament, the last time I did it on two occasions, the last two times, the Hon. Minister of Finance who was then—[*Interruption*—thank you, Madam Speaker. The Hon. Minister of Finance who was then a Minister in the previous PNM Government, at the end of my contribution, he stood up and at least on 25 occasions, he said that contribution was errant nonsense, foolish and “dotish”.

Mr. Imbert: I never said that.

Dr. Rowley: Arrant, arrant, arrant.

Mrs. K. Persad-Bissessar SC: “I were arrant”. Thank you, Member for Diego Martin West. Madam Speaker, I would not want to say that that is what his budget statement was. I would not want to use the same words to reflect upon his budget statement, but there are many people who do believe that that is exactly what this budget statement was about. I thank you very much, Madam Speaker. [*Continuous desk thumping*]

Madam Speaker: Order. I call on the Hon. Member for Laventille East/Morvant.

Mr. Adrian Leonce (*Laventille East/Morvant*): Madam Speaker, I thank you very much for this opportunity. First of all, I would like to thank God for this opportunity, me having health and strength. Second of all, I would like to thank the people of Laventille East/Morvant for choosing me [*Desk thumping*] to represent them.

Madam Speaker—and I will not forget, Madam Speaker. I have heard that plant-like substance causes you to forget. [*Laughter*] However, Madam Speaker, I would like to first congratulate my colleague for the excellent budget that he presented to Trinidad and Tobago. [*Desk thumping*] I am excited for the opportunity for social development—all the solutions for social development in my constituency, strengthening sustainable development, promoting economic growth, encouraging a culture of self-sufficiency, even a vision to support our neighbouring constituencies.

12.00 noon

Laventille East/Morvant, with the support of the budget that we have heard, would be transformed. It will become a place that will be aesthetically pleasing [*Desk thumping*] and we would have a socially advanced lifestyle.

Madam Speaker, first of all, I would like to agree with the hon. Member that just spoke, saying that when they came into office they did not and were not able to speak of all the negatives that the People's National Movement had done. They could not criticize them. I would like to share the vision of Laventille East/Morvant, with the support of the budget that was read.

First of all, Laventille East/Morvant would have an upgrade of infrastructure, roads, drainage, water, lights; transforming our ability to move forward in what we would have to do. I have heard that a number of funds was spent on roads. I have heard a number of funds was spent on roads. I look around in my constituency and I see none. I have heard water for all. I do not know if they forgot Laventille East/Morvant. [*Desk thumping*] So, roads and water for whom? However, we are committed to giving that facility to the benefit of the constituents of Laventille East/Morvant. I am very proud to stand on this side of the Bench. [*Desk thumping*] I am very proud to be part of this team that is going to transform this country into the place that we want it to be.

Laventille East/Morvant is very hurt with what has happened in the last five years. Laventille East/Morvant is really looking forward to some serious intervention for the crimes that have been committed against the constituents of my community.

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There is a past Prime Minister that said teachers that do not support the children and stay away from schools, they are criminals and should be sent to jail. In my constituency, they broke down a school, Lower Morvant, “Market School”, as we all know it. To date I am very sad to say that all these children have been neglected and we are still waiting on a school to be built. So these schools that have been said to be built all over the country, they forgot Laventille East/Morvant and I think I agree with the past Prime Minister, they are criminals and should be jailed. Children are suffering in my constituency because of the lack of commitment to support what is supposed to have been done.

However, Laventille East/Morvant stood up and supported the People’s National Movement. [*Desk thumping*] Laventille East/Morvant stood up and rejected the UNC Government. [*Desk thumping*] Laventille East/Morvant has really—[*Interruption*]

Mr. Singh: What page of the budget are you on?

Mr. A. Leonce: The relevance of this, Madam Speaker, is the budget that my colleague had presented shows the support of youth development. Youth development in my constituency has a large part to play in education. [*Desk thumping*] The relevance of this, Madam Speaker, is the fact that the young people are given an opportunity to earn more. My colleague has increased the OJT programme. The relevance of this, Madam Speaker, is the fact that we are committed to giving equal opportunity, including the constituents of Laventille East/Morvant.

Madam Speaker, if you have five children and one of them is sick, why would you leave that sick child alone and go and take care of the other four? Madam Speaker, Laventille East/Morvant is a sick child that we are going to take care of. [*Desk thumping*]

I am very pleased with the budget and with the input for national security, because national security plays an important part in my constituency. I have already had discussions and a significant drive for soft policing has already started. There is a partnering between the community and community groups and national security in bringing together that confidence that we have within the police service and other areas of the protective services.

I am also very pleased that the budget supports good governance. Good governance is very significant in the culture that our children are being raised in; good governance and being a person that children can look up to. We are the leaders of this country and I am very pleased that we are focused on good

governance. Because when a child is growing up and believes that the only way to achieve anything is to steal or to bribe, then we are growing up children with the lack of morals. This Government, this present Government has taken a stand to change that culture that the children had experienced in the past five years. This Government took a stand to honour what we consider to be important for the youths to look up to.

Now, Madam Speaker, we have experienced so much hurt in Laventille East/Morvant and this budget supports that change for us. [*Desk thumping*] Good governance is critical in people realizing what the Government is doing for them. Let me give you an example. We have walked around in the community, we have looked at projects that the previous government had executed and guess what? Some of these projects that have been paid for, we are still searching for them. That is not good governance. So I applaud my colleague for insisting on controlling and regulating agencies that will encourage good governance and value for money [*Desk thumping*] is what we are going to realize.

I am very confident that, even though we have falling oil prices and gas prices, the budget presented by my colleague, with proper management, we would realize significant increase in productivity.

Opportunity for all is supported by the budget from my colleague. Opportunity for all must be realized and the young people must have that culture of opportunity for all, because right now, we have a statistic of unemployment of 3.7 per cent. I walk around in my constituency and I am very sure that it is not 3.7 per cent. Opportunity for all must be realized also in Laventille East/Morvant. [*Desk thumping*]

Mr. Hinds: Do not forget Laventille West.

Mr. A. Leonce: And Laventille West. The budget supports a growth, an increase in sustainable development. Now, sustainable development is for the young, the old, the rich, the poor. So whatever the country is experiencing and has the benefit of, Laventille East/Morvant will also have that.

We have a lot of potential in increasing the manufacturing industry in our community. We are very privileged to have our national instrument, to have a pan factory in our constituency and our budget supports that initiative and the partnering of that initiative with the youths that are involved within the constituency to promote our culture and our understanding of Trinidad and Tobago. We have also committed to having community events for young and old,

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full demography throughout the constituency, throughout the 365 days of the year, to change the way that the country, for the past five years had shunned Laventille East/Morvant and environs.

This Government and the budget presented changes that. This Government and the budget presented will take and nurture the youths that have been hurt from the state of emergency. [*Desk thumping*]

We are still hurt. It is as though the state of emergency was directed to us alone. [*Desk thumping*]

12.15 p.m.

Mr. Hinds: It was! It was! It was! [*Desk thumping*]

Mr. A. Leonce: This Government is all inclusive. There were supposed to be significant plans within the constituency—South East Port of Spain Development and environs; that was taken away. We have not benefited for the past five years. However, this budget encourages growth and development within my constituency, and I applaud my colleague for presenting that. [*Desk thumping*]

I have heard about homes. I have heard about homes, Madam Speaker. When you walk around in my constituency, and you see the houses and what they did to the houses, it hurts me. Madam Speaker, what they did for the past five years was throw paint on places that need significant refurbishment, without care of family, without care of survival. This budget presents a fix to that. I am very proud, I am very pleased. Again, I stand here on the right side for the future growth of Trinidad and Tobago. [*Desk thumping*] I look forward to working with my colleagues with this budget presented, bringing things that we have not been able to get for the past five years.

Community centres have been built throughout the country for the past five years. There is a community centre that they are trying to construct, that is probably the size of a garage located in the Philippines. [*Laughter*] We have been disrespected—[*Interrupted*]

Madam Speaker: Members!

Mr. A. Leonce:—and this budget supports growth. We can swim. Yes, we can swim really, and we do not have a pool. I am very proud that we are going to get support, great support, through this budget to give the youths of my constituency a plan and an ability to swim. [*Desk thumping*]

Fixing Laventille East/Morvant and Laventille West is—[*Interruption*]

Hon. Member: And Port of Spain.

Mr. A. Leonce:—and Port of Spain in general, yes correct, that whole area that needs attention, will change the whole culture and attitude of Trinidad and Tobago. We will support, we will grow and out of Laventille, as have usually, historically done, will come out the fruits that will represent this country throughout this world.

I am very happy to be given this opportunity to speak on behalf of my constituency. I am very happy to be given this opportunity to work with these colleagues that I have in changing the culture, the negative culture, that has weaved its way in our country. I am very happy to be part of that team, [*Desk thumping*] to be charged with fixing Trinidad and Tobago.

Trinidad and Tobago is a beautiful, beautiful, beautiful twin Republic, and with the leadership of my Prime Minister, we would chart our way forward in making Trinidad and Tobago the best place in the world.

I thank you very much for giving me this opportunity. [*Desk thumping*] Thank you. [*Desk thumping*]

Dr. Surujrattan Rambachan (*Tabaquite*): [*Desk thumping*] Thank you very much, Madam Speaker. Let me begin by thanking the constituents of my constituency of Tabaquite for electing me for a second time to represent them here, in this the House of Representatives and in the Parliament, and to congratulate everyone who has been elected and are here also this morning. [*Desk thumping*]

Madam Speaker, I want to begin by congratulating the hon. Leader of the Opposition, [*Desk thumping*] for what was indeed a very comprehensive response to the budget presentation of the hon. Minister of Finance, and in which contribution, she was able to skilfully and forcefully and factually debunk the assertions that were made [*Desk thumping*] by the Minister of Finance. [*Desk thumping and crosstalk*]

Madam Speaker, in congratulating the Leader of the Opposition for putting the facts on the table, let me also say that what she did, is that she dealt with what was a clear effort by the Minister of Finance to negate the contribution of the People's Partnership Government over the last five years. In a polarized environment like Trinidad and Tobago happens to be just after an election, it is easy for people to lap up untruths, and to lap up emotive statements like those that were made by the Minister of Finance. But this morning, the national community

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of Trinidad and Tobago, the international community will have a different view of what really transpired over the last five years, [*Desk thumping*] and the platform, the economic platform, the platform for take-off that was presented to the incoming Government, as a result of the high performance of the Peoples' Partnership Government under the leadership of Kamla Persad-Bissessar.

Let me congratulate the young Member for Laventille East/Morvant on his contribution. He spoke from his heart, [*Desk thumping*] and that is good, and it is good to see that someone is arising from within Laventille to try to deal with Laventille's problems. But I want to ask him where in this budget does he see anything for Laventille? And I ask that very sincerely, because if you look at—one area you mentioned was the housing area, you said we scattered paint and so on, on the houses. If you look under Ministry of Housing and Urban Development, you will see there that under the Development Programme there is \$137,500,000, but I see under the different headings: Home Improvements and Housing Subsidies Programme \$25 million, that does not relate to Laventille. Squatter Settlements Regularization, \$72 million, that does not—and I am still trying to find—a quick cursory glance and I think you should do it, and go back and ask the Minister of Finance before the budget is completed, point out to you what is there specific in this budget that relates to Laventille? Because while you talk about the last five years, I think it is important also to ask of some of your existing colleagues sitting here in this Parliament, including the hon. Member for Port of Spain South, what it is that they did over 50 years [*Desk thumping*] to deal with Laventille?

We all feel the pain for people of Laventille, like we feel the pain for people all over Trinidad, and this is why I think it is important that you have risen up and said you want to do something for Laventille, but talk about pre-2010 also, when you had some of the highest revenues in the country, and when you had some of the best moneys available, and while you developed certain parts of Port of Spain, you looked at the hills and you neglected it altogether. I think therefore, that is something you must ask your colleagues about.

In terms of the Morvant School, it was an old school, dilapidated, termite invested, older than 50 years. The People's Partnership [*Interruption*] decided to build a new one, relocated the students, the construction of the new school began, and what is the truth of the situation? Crime forced two sets of contractors to abandon the job there, and the police had to be on site 24 hours to try to complete the construction of that job. I hope with your intervention that we will be able to deal with the criminal situation, not just in Laventille, but throughout Trinidad and Tobago. It is a serious situation and I wish the Minister of National Security well in his efforts in trying to curb the situation.

But, Madam Speaker, the Minister of Finance attempted to paint a most gloomy picture of the economy, attempted to try to convince the population that everything and anything under the sun is wrong with the country, and the way it was managed by the People's Partnership. While his Leader, the hon. Prime Minister and Member for Diego Martin West, was saying that the sky was not falling down, the Minister of Finance was saying that the sky had fallen down.

Madam Speaker, just let me say that while I know I have 45 minutes, I am just indicating that I will claim my 10 minutes also extra when that time comes. I crave that you will alert me to that time, please.

So one is saying the sky is not falling down. The other one came here and said the sky has fallen down, but although he said the sky has fallen down, he was able to come here and have a budget that was more than we had last year; \$63 billion. [*Desk thumping*]

We recognize the intent behind the strategy of painting an economy of gloom and doom, which is really to feed on the social media in particular, the kind of attitudes towards negative attitudes and almost hate, revenge against the high performance of a Government, the Peoples' Partnership Government, and to deepen the sentiments of hate towards Members on this side, by painting the picture of gloom and doom. But we are unmasking that this morning, and we are dealing with an intelligent population who, having listened to the hon. Leader of the Opposition, as I said, will have a different view this morning. [*Desk thumping*]

Madam Speaker, it is their prerogative to say what they want to say, but I also want to place on record, like the hon. Leader of the Opposition indicated, that 341,000 persons confirmed by their vote that we did a good job, [*Desk thumping*] and that we also have a duty to speak for them, and to speak for many others who, though they voted for the PNM, also are the voters who will make a difference in the next election, and they will see that we were the best performing Government, and [*Desk thumping*] that the alternate plans, programmes and policies that we present here while we are here on this side, will indicate to them that we will be an even better Government in the future. [*Desk thumping*]

Madam Speaker, you know having said that, on the adjournment just as we were winding up last day, the hon. Leader of Government Business and Member for Arouca/Maloney, I thought, used a very unfortunate statement across the floor to the Chief Whip on this side, when she said: "we are in control here". I thought it was a very unfortunate statement because—[*Interruption*]

Mrs. Robinson-Regis: We are in charge. We are in charge.

Dr. S. Rambachan:—we are in charge, and I am glad she repeated it, because it shows the level of arrogance and dismissiveness which the PNM has towards the people of Trinidad and Tobago, and to remind, Madam Speaker, that 341,000 persons did vote for those of us who are on this side.

12.30 p.m.

There are many others who voted for the PNM who are waiting to see how they perform and to see the treatment they meet. If this is an indication of what the hon. Member just indicated—“We are in charge”—that they are going to be dismissive and arrogant, not only to the Opposition, but to the views that the Opposition expresses on behalf of all the people of Trinidad and Tobago, then they are sowing their way out of this Parliament. [*Desk thumping*]

Madam Speaker, I also want to congratulate you for making a change [*Desk thumping*] and the change is this: that you said “amen, ameen and namaste” and that is a good sentiment for which you are to be congratulated. [*Desk thumping*]

Madam Speaker, governance is as much about the role of the Opposition as it is about the role of the Government, and let us not forget that. The Government needs the Opposition to govern this country in the interest of all and, therefore, you can be in charge—as you want to say you are in charge—but the people are in charge of the Parliament, and the people are in charge of the country. [*Desk thumping*]

Madam Speaker, a lie that is sufficiently spoken a number of times has the capacity to gain a life of its own and even becomes credible. However, what is the evidence to support the assertion made by the Minister of Finance that the sky has fallen down? The Leader of the Opposition said it: you cannot blame any government for the fall in energy prices. What you must do is evaluate how the Government that is there in office responds and makes the necessary adjustments to ensure that the impacts are mitigated especially with respect to people and their lives in the country.

And yes, when the oil shock came earlier in this fiscal year, the hon. Leader of the Opposition, then Prime Minister, immediately called together the Cabinet and called together the stakeholders and began readjusting our expenditure with the primary objective in mind of protecting jobs and protecting the vulnerable in this society. [*Desk thumping*] Let us not forget that because if you cannot protect jobs in a country, if you cannot protect the vulnerable in the country then you are not in the business of governing in the interest of the people, Madam Speaker.

Apart from Moody's ratings, the country under this People's Partnership has not been downgraded in any significant way for the five years we were in office by other rating agencies. It must be that we were doing a good job. [*Desk thumping*] It must be that there was confidence in the economy. [*Desk thumping*] It must be that people who were rating us saw that this country had a future given the policies and programmes that we were implementing.

Madam Speaker, investors have not left Trinidad and Tobago. Investors have not packed up and closed down. One would expect that in the light of falling energy prices there would be adjustments by these companies and the companies are making adjustments—Repsol, bpTT—one expects that. That is the nature of business, but we have to continue to talk to them as we were doing in the People's Partnership—talk to them as to how to cushion the impacts of these adjustments especially on our human resources. We cannot and must not allow a situation to arrive where people are going to lose their homes because they have lost their jobs, where children are going to be improperly fed because their parents do not have the necessary money to put food on the table.

Madam Speaker, in that regard, the hon. Leader of the Opposition made a good point which I want to reinforce. What is there that has been said in the budget that will inspire the business community, that will inspire entrepreneurs of this country to add value by way of their investments and by the way that they do business by even their willingness to sacrifice profits in order to secure jobs? What is there that has been said in the budget by the Minister of Finance that will encourage that new kind of behaviour at least over the period where we require some kind of adjustment? Nothing has been there and said to inspire that kind of attitude or behaviour on the part of the business community. Instead, what has happened? They have been taxed, they have been taxed and they have been taxed.

The Minister of Finance announced a \$63.1 billion budget. As I said, this is higher than the 2015 budget for which they made a lot of hullabaloo and they criticized. And, therefore, despite verbal antics of the Minister of Finance who was very uneasy today, I must say, when the Leader of the Opposition was speaking. He fiddled in his chair, he fiddled on his phone and he was just fiddling and fiddling and fiddling. He was very, very—he became very unsure of himself as he sat there. Despite his verbal antics last, when he presented the budget, let me say something. He must have been assured by the technocrats from his Ministry that the budget he presented was a feasible budget.

The technocrats from the Ministry, they would have given him an assurance based on their best knowledge of the situation that what the People's Partnership Government had put in place to cushion the impacts of the fall in prices, and

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especially how to get revenue in the short to medium term, would have made that \$63.1 billion budget a feasible budget. So, let us not lose sight of something. Let us not lose sight of the \$13.4 billion in what was described by him as “one-time cash” that had been made available to the Government to tide them over the first quarter and into the second quarter.

The Minister of Finance said that he brought that \$13.4 billion into the new fiscal year, and then he claimed that we had this deficit in the last fiscal, \$8.5 billion, but he would not tell you that had they managed and gotten that money in, then that \$8.5 billion would have been reduced and you would have had a surplus of \$5 billion. So he brought it into this fiscal year in order to show that that difference he has of \$21 billion would be reduced by the 13.4 because he is really bereft of any ideas as to how to close the gap. [*Desk thumping*] That is what is happening. How to close the gap? It is very similar to what the hon. Leader of the Opposition said with respect to national security. What is there new in national security, except that how the budget has been put together, that would give the population the confidence that something is going to happen to reduce, especially the murders that are occurring in the country?

Let me say, you know, we still have to deal with the murders by looking at what are the domestic murders and what happened. Even if we look at domestic murders and say they are increasing, we have to ask the question: why is there so much anger in the society between people in terms of relationships? How are we dealing with that also in the society because there is an upsurge of domestic-type murders as against the gang-related type of murders?

Madam Speaker, the Minister of Finance also announced that the sale of assets will take place and one wants to know whether Petrotrin, in fact, has been put on the chopping block. But if he is referring to the sale of Clico assets including the Republic Bank shares and the Methanol shares which we are told can bring in about \$8 billion, true enough, he may sell this and he may get \$8 billion, but when sold it seems that he intends to use these moneys for recurrent expenditure. And, as a result, you get that money in—you have sold the shares—then there are no further streams of dividends coming to you; therefore, you are selling out cash cows and now you have no dividends coming to you. So, the Minister of Finance must now consider whether he should sell assets that are likely to produce a stream of earnings over the long run and also appreciate in value rather than sell them off and kill the goose that lays the proverbial golden egg.

What is it that he is selling out? Which assets? Is he going to deny the country the kind of dividends that can accrue to this country and also the appreciated value that can accrue to the country overall? [*Desk thumping*] Is there another way? Yes, we sold FCB shares. [*Crosstalk*] What I am saying is the people of the country benefited from those shares. [*Crosstalk*] Yes, that is the point I am going to make, thank you leader. The people of the country bought those shares, so the patrimony of the country remains with the people of the country. [*Desk thumping*] But if you are selling the assets of this country that can produce for you a stream of dividends in the future, then you are going to deny the country that kind of sustainable income and you are using it up in your recurrent. How do you make your assets work for you, especially your natural resources? That is a key question, and it is a matter of philosophy. What is there for the philosophy by which you are going to govern over the next couple of years?

So, I believe that the hon. Minister of Finance, well intentioned as he is, must now consider a strategy that involves, perhaps, increased borrowing, at least over the short term, which will have an impact on the debt to GDP ratio, but this is a consideration that you must take into account.

Yes, we reached 98 per cent of the borrowing limit on the overdraft, but what are you going to do? Are you going to come to Parliament to increase the borrowing limit or are you going to sell out the assets which can be productive in terms of income streams and dividends? It will be tragic. It will be tragic, in my view, and in the view of all the citizens on this country if you sell an asset like Angostura, if you sell an asset like Angostura, a manufacturing and national legend for this country.

We need to know what you propose to sell and why you propose to sell it. We need to know. You have said that you would be transparent in terms of information the Government has and what the people would be allowed to get. You said you would be transparent. Well, would you be transparent by telling the people what assets you propose to sell? [*Desk thumping*] We want to know that, and there must be no compromising on that. If as you have said in the past that the patrimony of the country belongs to the people of the country, then the people have a right to know what you are going to sell. What are the assets that you intend to put on the chopping block? [*Crosstalk*]

Madam Speaker, you know, I want to again repeat. The Minister of Finance said we brought down cash to negative \$8.5 billion and I want to repeat for the benefit of this country that what he did not say was that that \$13 billion, that inflow, was supposed to be coming in to reduce that overdraft and put us in a

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surplus position. [*Desk thumping*] But he wanted to create so much animosity against us that he chose to speak half of the truth, half of the facts. The whole truth will include that you presided over the economy when energy prices were high and when you had excessive cash inflows. That was the difference. As a result, you had better and positive cash flows. Tell the country what was the state of the economy in 2010. Tell the country what happened to oil and gas prices over the last five years. Tell the country, as the hon. Leader of the Opposition did when the slowdown in oil production started, and the number of barrels of oil per day that had been produced, started and you will see it was pre-2010.

In managing the country over the last five years, what did you want us to do? You wanted us to place heavy burdens and brutality upon the vulnerable in the society? Did you want us to cut the school feeding programme so that children who go to school and get a meal could not get a meal? Did you want us to cut the laptops as you seem to always have had a problem with the laptop programme? I would like to ask the question whether students are in fact going to get laptops this year and whether the contract has been done. We demitted office, but we do not know. I would like to ask on behalf of all the children of the nation and their parents, whether in fact the laptops are going to be made available to the children of the nation as they were made available over the last five years. [*Desk thumping*]

You see, Madam Speaker, I made the point and I would make it again. A laptop does not serve only the child to whom it is given. Madam Speaker, I would tell you a very great story. I call it a great story, also it could be an emotional and sad story. In my constituency in Tabaquite, just near the RC school, there was a little house behind the school. I went there in 2011, and there was this little boy with his computer in his hand, but I noticed that there was a little electrical cord run from the neighbour's house to his house because he did not have electricity, but he was there with his computer and around him were three other children, and he was teaching his siblings how to use that computer that he had gotten, and that computer was serving four children in that home.

12.45 p.m.

So it is not just about the one child in the school; it is about the child whose parents cannot also afford a computer and the other children in the home, because one of the things—the policy of this Government, a compassionate Government, that is the People's Partnership—is that the poorest child should have the same opportunity as the most fortunate child [*Desk thumping*] in this country. That was one of the things we were doing, and maybe people did not understand that. So

when you take away that laptop, if you have done so, you are taking away opportunities. So, I want to tell my hon. friend, the Member for Laventille East/Morvant, that maybe when he spoke about opportunities for all he should have also asked about the laptop programme [*Desk thumping*] and whether the children of Laventille are going to get those laptops.

Madam Speaker, did they want us in the last five years to cut the number of persons employed in the public service?—to fire people at Petrotrin? We chose, yes, and we are proud that we chose to protect jobs, [*Desk thumping*] to ensure that people could feed themselves, that children got a meal at school, that the ability of poor children—and I say it—poor children to access university through GATE should have been cut? Was it that they wanted us to do? So much has been said by upper echelons of the society, people who are more fortunate. So much has been said about GATE. They have criticized GATE. They were prodding us to try to cut GATE, and so on, and in the process try to deny, Madam Speaker, the more unfortunate persons.

There are persons who could not go to university unless they had GATE, [*Crosstalk*] and we kept GATE. We kept GATE, Madam Speaker. We kept GATE. [*Crosstalk*] Madam Speaker—[*Interruption*]

Madam Speaker: Hon. Member for Oropouche—[*Interruption*]

Dr. Rowley: Dollar for dollar is your programme.

Madam Speaker: Hon. Member for Diego Martin West, please, let us continue.

Dr. S. Rambachan: Thank you, Madam Speaker. Madam Speaker, if it is that the present Government thinks that the GATE policy should be changed then do not keep it under the carpet, come out and tell the population. [*Desk thumping*] You speak of openness and transparency, come out and tell the population whether you are going to do that, the population wants to know. There are lots of people who are very fearful at this time, given what they have seen happened in Tobago with the Tobago Ministry, and so on, despite what they are saying, people contract come to an end, the fact is people have gone home without bread to put on their table. [*Desk thumping*]

Madam Speaker, in several regional corporations people have been sent home over the last couple of weeks. We created, through the very great vision of the Prime Minister and Mr. Fazal Karim, a nursing academy to provide trained nurses and sustainable jobs in an economy where you have a shortage of nurses and doctors.

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Dr. Gopeesingh: PNM had stopped the training.

Dr. S. Rambachan: Yeah, that is right. Today we have an academy producing nurses [*Desk thumping*] where we need over 3,000 nurses in the country. Did you want us to cut that down also so that those young men and women will have a sustainable job?

You talk about moving people from CEPEP and URP, and so on, yes, well, here is an opportunity where we are giving them sustainable jobs, and it was part of an overall plan. You are building hospitals, the Children's Hospital, the Point Fortin, the Arima, the expansion of Sangre Grande, and so on; you are building hospitals and, therefore, the human resources strategy was in place to feed [*Desk thumping*] people into that, into sustainable jobs, creating a sustainable future. We had a vision, we had a plan, which they do not. [*Desk thumping*]

Madam Speaker, I agree with them, you know. I agree where they have spent \$12.7 million to support medical students at Cave Hill and Mona. That is a revision of their policy and they are entitled to that, but please also admit that this government, when we were in government, we created new spaces at the Teaching Hospital in San Fernando where we are now able to train more doctors. If you are to look at diversification and if we are very creative, in Tobago, the Scarborough Hospital can also be developed, in my view, into a teaching hospital—[*Desk thumping*]—can be developed. That can be part and parcel of a diversification plan because there are many foreigners who would be very willing to come to Tobago in a more relaxed atmosphere, conducive to educating themselves and be educated in Tobago. That should be part and parcel of the kind of diversification and transformation.

Diversification is not just, Madam Speaker, about manufacturing, and so on, diversification must be looked at in its entire spectrum of things that can be done. Maybe what we need to do is to engage the private sector or to engage a foreign university to come into Tobago with an offshore medical school. That is the outside-of-the-box kind of thinking we need. Madam Speaker, these are hard choices. We made some hard choices, but we made them. We made them, Madam Speaker, but the sky did not fall down, because if the sky had fallen down they could not come with a \$63.1 billion budget.

Madam Speaker, therefore I ask—they complain about squandermania—I ask, and I must ask, and ask very loudly, is it squandermania to keep people employed, to feed children, to keep people above the poverty line, to make sure that they can pay their rents and mortgages and not be put on the streets, and to continue to

develop human resource capability, especially in the health sector with a view to improving the quality of health care, and driving in the medium to long-term to medical tourism? Those are achievable goals.

Was it wrong to build houses for people at subsidized rates? Let me be generous and congratulate the Minister though on his first budget presentation of a budget, [*Desk thumping*] but recognize that we had challenges too. Recognize that the challenge of presenting a budget in a situation marked by falling and unpredictable gas and oil prices is further complicated by the heavy dependence on oil and gas for revenues and the heavy dependence on Caricom countries for purchasing the majority of our manufacturing exports. The volatility of Caricom economies now provides its own levels of uncertainty. Our ability to compete with exporting countries who have the advantages of lower wage rates, economies of scale and higher productivity calls for a major paradigm in terms of our people's attitude to work and to competitiveness.

One of the things we were doing under the Ministry of Planning and Sustainable Development under then Minister Tewarie was in fact dealing with this matter of national competitiveness and the ability of Trinidad and Tobago to be a creative and competitive country in the global environment, and, therefore, it will be wise for the new Minister of Planning and Development to look there into that Ministry and to build upon the work of the then Minister, Dr. Tewarie, as to how the competitiveness of Trinidad and Tobago could be developed.

The fundamental to recovery in Trinidad has to be a shift in culture and in terms of our attitude to work, to creativity and productivity. Madam Speaker, it is imperative, therefore, that as we seek to develop the tourism sector, the leisure sector, the entertainment sector, as well as newer areas which will spell diversification, but even if we talk tourism and we talk leisure and entertainment, again we are faced with the question of how do we shift attitudes to service. The only way we will become a successful tourist destination where people really want to come is in the quality of service; service is the differentiating factor. Service is the differentiating factor, Madam Speaker.

Madam Speaker, Tobago, Matelot, Toco, Cedros, these can be goldmines for tourism, but service, if we do not deal with it we are going to fall far short of what is required to get world-class service and to get people to come here. Now, we are able to do some things that we must not ever forget. In Chaguaramas a transformation began. A unique experience was being presented to our local/domestic tourists, as well as those coming from outside of Trinidad and Tobago, and when they visit Chaguaramas now they are comparing Chaguaramas

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in terms of the infrastructure and the facilities with anything that they could have found in places like Florida or Orlando. I hope, in that same context, that the Government will also give priority to the development of the San Fernando waterfront project. I hope that that would not be put on the background. [*Desk thumping*]

I hope, Madam Speaker, that when they talk about rural development they will really try to develop pristine areas while you maintain the integrity of the environment and the proper ratio between human settlements and the environment in places like Matelot, in places like Toco, in places like Valencia, and other parts of Trinidad. [*Interruption*]

Mrs. Persad-Bissessar SC: They reduced the allocation.

Dr. S. Rambachan: You took it from—that is the thing. When I look at the Ministry of Rural Development and Local Government, all I see is local government. I do not see anything for rural development. Let me also say, especially for the benefit of my worthwhile friend from Diego Martin Central who was in local government, and also for Tunapuna, that the budget for local government has been cut—the development budget by \$53 million. Fifty-three million dollars it has been slashed by, which I think is very, very unfortunate—slashed it by \$53 million. [*Interruption*]

Mrs. Persad-Bissessar SC: And added rural development to it.

Dr. S. Rambachan: Yeah. Fifty-three million it has been slashed by and I think that is really, really very bad.

Also, in terms of your budget for recurrent expenditure it has been cut by \$92.4 million for local government. So while you are talking about expanding local government and you are talking about doing so much more for local government, in the very first budget in which you had an opportunity to walk the talk between your policy initiatives and the programmes you want to implement, you have failed. [*Desk thumping*] There is a diversion, you have cut the budget. You have cut the budget. But one notices very carefully the political strategy that is being employed in local government.

When you look at the budget and when you look at which of the corporations have been cut and which of the corporations have been increased you will see that what they are seeking to do is strengthen their areas for the local government election, and they are trying to boost the marginals in their favour. That is the political strategy involved in how they are dealing with the cuts and the changes

that are taking place in local government. I warn the population about that because you are going to be bribed again in a way that you are going to think that you are getting something, but in the end the sting will come in the tail, as we say.

So, in Chaguaramas we succeeded in giving a unique experience, both to domestic tourists and to foreign tourists, and we did not stop there. We were well on our way in Maracas. In Maracas we started the project to develop Maracas. The very project that they costed in 2005, 2006, for, I believe, \$233 million; the very project, very scope is being done for \$120 million—[*Desk thumping*]*—very scope in that project. [Interruption]*

Dr. Gopeesingh: Are they going to stop it?

Dr. S. Rambachan: We would like to know that, whether that project is still on and whether the project is going to continue. But we were doing the things that would have made a difference to tourism, but, you know, the hon. Minister of Tourism, who is well intentioned in terms of what she has been saying, I think will really have a challenge on her hands to shift attitudes to service, especially in Tobago where Tobago needs tourists, and I think that is something that we were well on our way to shifting and changing by providing the facilities and the kind of training.

What we have to do for tourism is not depend on the sea-sand experience. We have to give a different experience, a different experience to the tourism people. Why is it that Trinidad and Tobago cannot be looked at as a recuperation and wellness centre for tourists? Why is it we cannot think differently? Why we cannot look at Trinidad and Tobago as a place where people can look as coming for a tourism experience in terms of wellness?—in terms of recuperation? Wellness centres, I believe, can be very successful, because what we will then be doing is developing a specialist product, a specialist product. Not only will it contribute to bringing in tourists to the country, high-paying tourists, high-end tourists, but it will also contribute to rural development, to sustainable jobs, and in the initial stages will also boost the construction sector.

One of the fastest growing areas in terms of wellness tourism is Ayurveda, which is a parallel system of medicine in India, and now in Europe, and is now being adopted in Canada, and so on, and we have here the makings for that. We also have a chair in Ayurvedic Studies at the University of the West Indies. So one has to look at what one has in one's hand and begin to use it for the benefit of the country. In this regard, one hopes that the 500-acre multi-facility tourism resort project in Mayaro, which was approved by the People's Partnership Government, will be carried through and that Mayaro will benefit from that particular project.

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Now, I am also heartened by the Government's indication to look again at the "Streets of the World" project of Derek Chin. I saw that in the newspaper. It is unfortunate, in my view, that stumbling blocks have been persistently placed in the pathway of this project, which can make a significant contribution to our service and leisure entertainment sector.

1.00 p.m.

We talk about quality service, but without giving Mr. Chin a free ad, let me say, that the Movie Towne experience and the experience of his restaurants, be it Texas de Brazil or Rizzoni's, I think it is called, are First World. We can rise to the standards, and those are the kinds of entrepreneurs we should encourage. I make reference to him if only to confirm that we have the creativity and we have the capability to push our country forward to create jobs, and to continue to build with success the foundation for a sustainable future. But as I ask again: What is there in the budget to encourage and to motivate and to inspire our entrepreneurs to move in this direction?

Madam Speaker, I also made reference to Mr. Chin in the wider context of emphasizing that the private sector must not be stymied in its thrust to invest. But the disease of bureaucracy—which we had begun to tackle under the People's Partnership Government, by doing things like reducing the number of days it took—from months to three days—to register a company and to get business going. There are other changes that were made in the Ministry of Trade and Industry with regard to ASYCUDA and so on and so forth. The disease of bureaucracy must be addressed, once and for all, if they want to make a difference.

The former Minister of Trade and Industry, Mr. Bharath, had set in train a number of initiatives, along with Mr. Cadiz when he was Minister, aimed at reducing the bureaucracy in terms of the time it took to start up business and to deal with transactions.

Madam Speaker, I am reminded of the story of Gulliver and the Lilliputians. [*Laughter and crosstalk*] The Gulliver of private sector entrepreneurship tied down with 1,000 strings by Lilliputian bureaucrats, would never spring up into the boisterous activity required in this moment of our economic history—never. [*Desk thumping*] We need to remove the stranglehold of bureaucracy and have more flexibility in the country. [*Crosstalk*]

Madam Speaker: Order, order!

Dr. S. Rambachan: Whether the public service and the current government understand it, bureaucracy and the stranglehold it has must be broken. It is fundamental to achieving the required paradigm. The challenge we have to our success resides in developing a competitive environment and competitive product aimed at a diversified economy—it is culture. A cultural shift is needed.

Madam Speaker, we have arrived at a particular juncture in our economic history, where we must decide what role Government wishes to play in the development of the country and how much it wants to get involved. If it does get involved, is it going to be a facilitator or is it going to be an obstructionist; that is the thing. Indeed there is a matter of what role the Government intends to play in the current economic scenario. If job loss is as real as we think it is, what economic philosophy is the Government proposing to use so that it can weather the storm and create a financially and socially stable country?

If you go back in history, there were similar situations in the United States. Ronald Reagan faced situations like that and, perhaps, it is opportune to ask whether a special recovery plan, like that which Obama introduced, has merit or should be considered in our present circumstance. We have used monetary policy, we have used fiscal policies, and we have reduced interest rates, which is, more or less, part of the monetary policy. Government investment in infrastructure, we have used it and I think it is necessary.

I think it is important therefore that the construction sector be made more boisterous, that nothing be done to slow down the pace of the construction sector, because if you slow down the pace of construction you are going to affect hundreds of thousands of jobs in the country. Not only are you going to affect people directly involved in construction, you are going to affect the suppliers, you are going to affect hardwares, you are going to affect the service sector that supplies the construction sector, and what have you.

Now, a lot of “hullaboo” has been made about deficit financing—[*Interruption*] hullabaloo—[*Laughter*]. A lot has been made out about deficit financing and the need to balance the budget. Madam Speaker, yes we ran deficit budgets, yes—[*Interruption*].

Madam Speaker: Hon. Member, your 45 minutes have expired. You indicated that you intended to take the extended 10 minutes?

Dr. S. Rambachan: Yes.

Madam Speaker: I want to propose that now is a convenient time for lunch. Therefore this sitting is now suspended for the lunch break. The sitting will resume at 2.10 p.m.

1.06 p.m.: *Sitting suspended.*

2.10 p.m.: *Sitting resumed.*

Madam Speaker: The Hon. Member for Tabaquite.

Dr. S. Rambachan: Thank you, Madam Speaker.

In the remaining minutes that I have, there are a couple of points I would like to conclude with. The first one I would like to deal with is the matter of the property tax. The Government has announced that property taxes will return; the Revenue Authority will return and so on, but I wonder how many persons in this country understand the implications of the return of the property tax.

It is true that the Minister of Finance has said that they are going to revert to the 2009 rates, but that does not preclude the fact that the property tax will, in fact, return in the country. Based upon a publication by Ernst & Young in their 2016 measures review, they gave some important information about how this is going to be computed. What they say is that based on current legislation property tax will be computed as a percentage of the annual taxable value of the property. There are four kinds of properties: residential, commercial, industrial and agricultural properties. I want to deal with just residential.

Residential properties will be categorized into five classes: executive, modern, standard and substandard and shack. This is how it will be calculated: the residential properties will be taxed at the rate of 3 per cent of the ATV, which is the annual taxable value. The annual taxable value is what is going to be important, because that is what the methodology of valuation is all about. The methodology of valuation is the expected annual rent. So if I have an executive property, let us just say Valsayn, and that property can be rented for \$25,000 a month—because the average property is selling for \$10 million. I am just using a figure of \$25,000 per month—that is \$300,000 per year. Madam Speaker, 3 per cent of \$300,000 is \$9,000, at a minimum is what they tax there. The average person there would have paid about \$900 a year in 2009.

Hon. Member: I pay \$243.

Dr. S. Rambachan: So \$243 is even better, so now you are going to pay 40 times what you were paying in 2009. So 40 times what you were paying in 2009 will be the property tax—40 times more. So consider what is going to happen to the poor man who is paying \$100 and he has to pay 40 times that, what is going to be his problem. So that is a big tax that is coming on the heads of people. I do not think people understood the implications of this property tax that is inevitably going to come back part of the scenario. [*Interruption*]

No, I am not recommending that you do not pay tax at all; I am not recommending that at all. I am saying that you said you are going to have consultation with the people, and I await the kind of consultation you are going to have with the people and to hear what the people have to say. This is what?

Mr. Deyalsingh: What was your plan?

Dr. S. Rambachan: You are in government; I do not have to tell you my plans. You are in government, you tell me what you are going to do in this country. You are in government. [*Desk thumping*] You said you know how to change around the country, you said you know how to bring down the deficit and everything else; you tell us.

Madam Speaker, the second point I want to deal with has to do with transport. We are talking a lot about the rapid rail and so on, but between the time that we deal with getting the rapid rail or mass transit or what have you, and it comes into effect, it is going to be four, five years, maybe even more. And knowing the rate of execution of projects by the PNM, it might never happen at all. But what happens in the meantime?

There are 786,000 vehicles on the roads of Trinidad and Tobago at this point in time, so we have to have something to deal with the daily ritual of two hours from Chaguanas into Port of Spain, and now it is from right down Claxton Bay into Port of Spain.

2.15 p.m.

While we were in office we were about to put in place what you call the dedicated lane for buses and maxi-taxis using at peak hours the shoulder of the road. And also on that lane we were saying that people with four persons in a vehicle will be able to use that faster lane to come into Port of Spain. I do not see any reason why you cannot have flexitime like we have in the Ministry of Works while I was there. We have flexitime there and certain people were coming in certain hours and so on. You could have flexitime or change the whole way the public service operates. There are a lot of people who will be very willing to do business after six o'clock in the evening or after five o'clock in the evening. Create a shift where a lot of people who would normally come to do business, certain core kinds of business, can do that business after hours. So, they do not all have to come into Port of Spain at the same time.

The third thing you have to do is to tie decentralization to your traffic, develop your small towns, make the public facilities available in as many communities as

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possible and you therefore decentralize services and do not have everybody running into Port of Spain to get the same thing done. [*Crosstalk*]

Then you need to get the traffic wardens, the total complement of traffic wardens. So far about 300 traffic wardens, Minister, have been recruited. You have about 400 more to recruit and that will assist a lot in dealing with some of the traffic problems.

Then there is the matter of the Motor Vehicle Authority. I did not hear anything in the Minister's speech about the Motor Vehicle Authority. How is the Motor Vehicle Authority going to be implemented? What is going to happen to the legislation that was brought before the Parliament? Are you going to bring back the legislation even in some other form? What is going to happen to it? I think these are important things if we want to deal with the traffic situation in the country. So those were a couple of quick points I wanted to make on the traffic situation.

With respect to projects of the Ministry of Works and Transport, I want to wish my colleague, the Minister of Works and Transport and Member for Laventille West all the best. He has a very large plate on his hands, but I think it is an achievable plate. I am very happy to see that the projects that we had put in train are going to continue. I did not see in the budget though, or maybe I missed it, as to how you are going to go about financing the rest of the highway to Point Fortin. Whether you are going to use bonds or what have you. How is it going to be done, but I think that it is very important that, you know, we know how it is going to be done because that is an important highway in terms of the whole opening up of that south-western peninsula where there is the highest rate of unemployment.

Finally, Madam Speaker, you know, we are in a situation where in the country in the face of falling oil prices, energy prices, we too have had to deal with deficit financing. The country had to be brought back to growth. We found it in negative growth. What we did, brought it back to growth, even though it might be 1 per cent. [*Desk thumping*] You know, we had the unenviable task of moving the country forward. I think we did so very well. I do not believe today that the people rejected our vision for Trinidad and Tobago. I do not believe the people rejected our vision for Trinidad and Tobago. [*Laughter*] Three hundred and forty thousand persons supported our vision. They may have rejected us for other reasons. And they may have rejected us for other reasons, but not for our vision—not for our vision.

I want to remind the Members of Government that in Trinidad and Tobago the people are not as forgiving of politicians as they used to be. There is a new citizen and that citizen is a new voter. Perhaps they voted us out in the last election, but they have not voted us out of their minds forever. They have learnt the importance of their vote and the time will soon come when their eyes will scrutinize the manner of management by you of the economy. [*Desk thumping*] They will compare what they received from you in the next five years—if you last that long—from our administration in terms of what we delivered, and they will vote again. They will vote again.

Madam Speaker, unlike the Kamla Persad-Bissessar administration when most citizens saw a future in which their children will do better than they did at this time, given what you have indicated in your budget presentation, too many citizens are not dreaming about the future. In fact, they are fearing it. Your budget lacked vision, direction and failed to give confidence to the nation. People were led to believe that since government was the problem, not the solution, just getting government out of the way will be a solution to every economic ill. After four weeks they are rethinking their beliefs and asking whether they allowed themselves to be caught up in the euphoria of your propaganda. Thank you, Madam Speaker. [*Desk thumping*]

The Minister of Works and Transport (Hon. Fitzgerald Hinds): [*Desk thumping*] Thank you. Thank you very, very warmly, Madam Speaker, for recognizing me, and I thank my colleagues for the very warm welcome to my legs in this the 2015/2016 debate on the Appropriation Bill.

Madam Speaker, I too must congratulate you on your appointment. I feel obliged to do so personally. When I sat here—when I stood actually and saw you sworn in a few days ago, Madam President—Madam Prime—[*Laughter*] Madam Speaker, I thought to myself in that very single act—I thought to myself that in that very single act the country had signaled that it had returned to dignity and good order yet again, [*Desk thumping*] and more so the dignity of this House. It was not too long ago that the people of the country recognized that this House had been severely desecrated. A former Member for Tobago East contributed substantially to that. The former Government passed the infamous clause 34. Your ascension to that Chair gave Trinidad and Tobago hope again. [*Desk thumping*]

Madam Speaker, the people of Trinidad and Tobago have not yet begun to understand that which they averted on September 7. If I may be permitted a metaphor—we were shot in the arm, shot in the legs, shot in the back, but we dodged a fatal bullet on September 7. And I want to thank God, I want to thank

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the people of Trinidad and Tobago for their collective wisdom, and I want to thank our leader, the hon. Prime Minister of Trinidad and Tobago, for leading us away from the danger that we faced. [*Desk thumping*]

I want to thank him again for giving us the opportunity by way of his leadership to take Trinidad and Tobago in hand and to put us on course again. And I want to specifically thank him for reposing the confidence that he had in me. To have chaired our screening committee caused me, you know, to oversee my becoming the Member of Parliament and choosing me to be the Minister of Works and Transport. I thank you, Mr. Prime Minister. [*Desk thumping*] The country feels cleaner. It feels lighter. It is indeed happier and hopes are soaring again. I saw the business community, the chamber—I think it was the Energy Chamber in responding to the budget as presented by the Minister of Finance demonstrating confidence in business again. The Minister of Finance, in part, called on them, the business community, to join hands with the new Government to take Trinidad and Tobago on an upward path again, and they said resoundingly that they are willing to do it. Business confidence is back. [*Desk thumping*]

Madam Speaker, I want as well to congratulate the Minister of Planning and Development—a quiet storm in all of this. [*Desk thumping*] She would have worked, along with the Minister of Finance, to provide the thoughts and to prepare the budget, a budget that is obviously solid in vision, solid in content, demonstrative of understanding the current social and economic circumstances in which we are put in Trinidad and Tobago. And I congratulate the Minister of Finance for his presentation of the budget. The people of the country are saying [*Desk thumping*] we were able to understand line by line what that Minister of Finance was telling us about. [*Desk thumping*] They really appreciated it, the ordinary man out there. And we were deliberately transparent because we knew that we faced some critical times.

As I heard the Minister of Finance deliver his budget and when he came to an end, I asked myself deeply and seriously, had the Member for Caroni Central still been the Minister of Planning and Sustainable Development, had Larry Howai still been the Minister of Finance and the Economy, and had the Member for Siparia, had she still been the Prime Minister, would we have learnt the things that we learnt about our economy a few days ago? The answer is a resounding no. They would have continued to smile and tell the country that everything is all right. There was a reason for them doing that, for telling us that everything was all right, because while they oversaw pilferage and rape of our Treasury and rape of our consciences—[*Interruption*]

Dr. Gopeesingh: 48(6), Madam Speaker. [*Crosstalk*]

Madam Speaker: Hon. Member, I would suggest you find another way to put that over.

Dr. Gopeesingh: Thank you, Madam Speaker.

Hon. F. Hinds: Economic—obscene economic abuse. [*Desk thumping*]

Hon. Member: They would not object because they would not understand.

Hon. F. Hinds: They are ashamed of their conduct now. You can see it on their faces. Chalkdust has a calypso “Virginia’s Alzheimer”. I want the people of the country to hear it. It has new meaning today as I look upon them. All of them look related in one way. They gave away free money, free land. Some of their agents—[*Interruption*]

Dr. Moonilal: Madam Speaker, 48(6).

Hon. F. Hinds: But it is true.

Dr. Moonilal: Who “give away free land”? Imputing that with who?

Madam Speaker: Hon. Member for Oropouche East, could you elucidate on the point of order?

Dr. Moonilal: Ma’am, the Member is speaking, is saying they—referring to us as I said—“gave away free land”, “gave away this. That is imputing improper motives. So, how you “give away—”. [*Crosstalk*] That is wrong.

Madam Speaker: Member, Member, [*Crosstalk*] I am on my legs. I do not agree. Could you please continue, hon. Member.

Hon. F. Hinds: I thank you very warmly. [*Desk thumping*] According to his former colleague Mervyn Assam, he is getting “gigiree”. We used to say jittery, but he say “gigiree”. They are embarrassed at their awkward ways, but they will have to live with them in this country.

The Member for Tabaquite who was on his legs a moment ago, in typical UNC form he began to tell us, “we build this, we build that, how much box drains; we do this; we do that”. Not one word about value for money. Not one word about process. [*Desk thumping*] It is as if these things matter not to them, and yet he is perplexed as to why the country purged itself of them and rejected them. I tell you this, Madam Speaker, I tell you this, I regard it as my—as the old people would say, particularly in Tobago, I regard it as my bounding duty, it is a moral and spiritual duty, as long as I have strength and I hold the symbol of the Balisier, to

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do all that is in my power to protect the people of Trinidad and Tobago from that bunch [*Desk thumping*] for the next five, 10, 15, 20 years. I owe it to the people of this country. You all are a disaster. [*Laughter*] And if you had any semblance of shame, you would not have even offered yourselves as candidates in the last election. I thought I had seen the last of you. Certain—well I do not want to speak about the former Speaker. I really thought I had seen the last of them, but they are so shameless. They are in my face again.

Let me share with you very quickly—let me share with you again, Madam Speaker—[*Interruption*]

Dr. Gopeesingh: Madam Speaker, 48(6), insulting language. [*Crosstalk*]

Madam Speaker: Member, I do not agree.

2.30 p.m.

Hon. F. Hinds: The little people out there understand what has happened. I want to spend just a couple moments reminding the people of the country some of the very important things the finance Minister said to us. It is as if it escaped the Member for Tabaquite. The Minister of Finance at page 6 in his presentation said, and I quote:

“Several previous missions from the IMF have conducted their own in-depth review of the economy in their annual Article IV Consultation Reports. I have reviewed these Reports and I have also met with major stakeholder groups since assuming office who have provided me with their own assessments of the economy as well as their own solutions. We have also benefitted from the findings of an IMF team, who came at our request, just after the election.”

The items, the content of the budget that you would have listened to and do not yet understand, though the people do, was guided by professionalism and deep thought and an analysis of our current state of economic affairs. It was not by whim, it was not UNC, and it was done in the interest of the people of Trinidad and Tobago. He went on to say:

“Many of the proposals from... various interest groups, organizations and experts have a common theme, and include:

Implementing a property taxation system;”

I just heard the Member for Tabaquite speaking of the property tax as though it was a bad thing. The experts, the IMF, commentators locally understand paying tax on property is normal everywhere in the world. There are people in Trinidad who express disaffection at not being able to pay, their sense of justice says they should, for properties owned. And he said as well, untruthfully, that it will return. Our leader,

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the Prime Minister, took pains during the campaign to tell the country—you missed it—that it was always there. You reintroduced it. What we are doing now is no longer—we are now activating it again. We are no longer suspending it. It was always there, Member for Tabaquite. It is as if that escaped you. You did not do that at the level of PhD in the university in Brazil.

Mr. Imbert: No, no, the Pacific.

Hon. F. Hinds: Wherever. It cannot be found today. The Minister of Finance went on to say:

“Broadening the VAT base;”

This is one of the themes that came out from all the consultations, including with the IMF.

“Increasing excise taxes;

Increasing personal income tax;

Increasing corporation tax;”

Those taken together, Madam Speaker, represent more revenue for the people, the Government and the people of the country. More taxes mean more revenue. They speak as though tax is a bad thing. The former Prime Minister boasted she never raised tax one day. So, they were putting nothing in, all they were doing is taking out, out, out. [*Desk thumping*] I want the Member for Siparia to know in economic terms, in governmental terms, in managing a country terms, that is called stupidity and recklessness.

When you only spend, spend, spend without a care about where it is coming from, it is called recklessness. And they are so short-sighted and sin in mental and intellectual application on the particular point, that even that escapes them. It is as if there is this cow, healthy, well fed, they milk it, and they cut off a leg while it is alive, they just strip it and they give nothing back. You cannot do that. So, we have done some of those things. It also suggested eliminating fuel subsidies, reducing other subsidies and transfers, and those two represent cutting back on some of our expenditure.

And finally, introducing wage and hiring restraint mechanisms to restrain the call for more and more and more money through labour representatives, that is quite normal. But a sensible Government taking into account the entirety of the circumstance will understand what it could do and how far it could. They, in the last few years, 13 per cent, 14 per cent, and the psychology is very clear. It is not their own. It is somebody else’s own, their agents benefitting greatly from it.

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In terms of the economic abuse that I tried to describe with the R word a while ago, and they give away this, run to the airport and give away football money, and give away land, and give away everything. And the reason, psychologically, why “dey” give away so is because they know they are taking. So those who get a “little bit”—

Dr. Gopeesingh: Madam Speaker—[*Interruption*]

Hon. F. Hinds: I say, “dey”, you know.

Dr. Gopeesingh:—this is repetitive; 48(6), please.

Mr. Imbert: Oooh, sit down.

Madam Speaker: I am on my legs! Standing Order 48(6) you said, hon. Member?

Dr. Gopeesingh: Standing Order 48(4) and 48(6).

Madam Speaker: I rule that he is not in breach of the Order.

Hon. F. Hinds: Within the last two years, Madam Speaker, a pastor told me that one of his colleagues got a contract for his church community, and he is listening as I speak now. I speak after him, in the face of God and man. And he got this contract to support his church community, and when the contract was well and truly done he received a phone call demanding 40 per cent. I thought it was sacrilegious.

Dr. Rowley: From the church?

Hon. F. Hinds: Yes, from the church

Dr. Rowley: The church got that?

Hon. F. Hinds: Yes, Sir.

Dr. Rowley: Are you sure it was from the church?

Hon. F. Hinds: Yes. And that is the sort of thing that we witnessed that we had to live with in the last five years, bloody and evil behaviour, greed.

The Minister of Finance went on to say even before the election, and he is speaking on behalf of all of us, because I myself, I am impressed with his words. I myself close to the centre of gravity as I am did not fully understand. I knew things were bad, I was feeling it deep within my Caribbean belly, but I did not get all the details. The Minister of Finance said, even before the election, we had reason to believe that our economy had deteriorated significantly over the past

year. Indeed, several independent commentators, including Moody's Investors Service supported our view. However, the previous administration doubted our analysis every occasion they had, insisting that our economy was strong and everything was fine. Instead, the economy was stagnant for the last five years.

Real output in energy declined in 2015, again, making it the fourth year on the trot. Activity in the non-energy sector also weakened, a loss of momentum in construction distribution manufacturing. I am just reminding you of what the Minister said. Total energy exports estimated at US \$7.5 billion in 2015, a significant decline from US \$12.7 billion for 2010 to 2014. Trinidad and Tobago's trade balance will be reduced by more than half from US \$4.6 billion in 2014 to US \$1.7 billion in 2015.

Conversely, in five years prior to 2010 there were current account surpluses averaging about 20 per cent of GDP. Those are some of the facts that we had to contend with and they became more startling as they went along. The Minister of Finance told us that there were arrears accumulating by some state agencies such as the HDC, where last year the Minister with responsibility for that, last Carnival or Christmas—when they know full well things were bad and hiding it from us so as to mask the behaviour of their agents and operatives all over the atmosphere, stealing money—had a big fete, had one of the biggest soca stars perform in a Christmas party for the HDC, because everything was fine. Big arrears they ran up. The UDeCOTT, the National Infrastructure Development Company Limited, NIDCO, went into that \$7.5 billion extension of the highway, off-budget, and, of course, “doh have to say much, the Minister would say enough about this”.

The EFCL where the figures show in 2010, for an example, Member for Tabaquite, we were building, we, Trinidad and Tobago in 2010, we were building an early childhood centre for \$4 million and \$5 million, by 2015 under your watch the same early childhood centre being constructed for \$11 million and \$14 million. That is how you managed our affairs consistently. And to make matters worse, inside of the EFCL they had a loan facility with the IDB, and the projects that were done, with the IDB loan, were done for the \$4 million and \$5 million as I spoke about a moment ago, but all outside of that because there were no restrictions and no process, \$11 million and \$14 million apiece. That is what you did to my people and that is why I do not smile with you. On behalf of them all I am angry. I feel abused and it is my bounding duty to keep you out of their face for 20 years. [*Laughter and desk thumping*] You could go back with your wheel in Belmont. [*Desk thumping*]

One of the worst was yet to come. They increased the public debt, everybody knows that, but hear the Minister of Finance. Madam Speaker, this is the one that took me:

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“Madam Speaker, notwithstanding billions of dollars in borrowings, tax amnesties”—

You see, so they gave tax amnesties, they forego the property tax, so-called, the old land and building taxes; billions of dollars they forewent for five years.

“...tax amnesties, extraordinary dividends, sale of assets”—the IPO went bad, and they were rushing to do another one—“and high oil and gas prices, our cash balances at the Treasury moved from a positive \$6.5 billion on May 24, 2010”—that is what it was—“to a negative of \$8.5 billion in the middle of September 2015, a reversal of \$15.0 billion.”

That is what you did. That is Kamla’s legacy without stockings. That is your legacy. So you should really be ashamed to come here this morning.

Let me give you an example: we put in place the Unemployment Relief Programme in many previous incarnations. It is called that today. They criticized it. From the time I came to this Parliament in 1995 I grew accustomed to hearing them bad talking URP. They got to Government in May 2010, and the same URP that they bad talked for years, and accused us of doing things for the corridor and nothing for them, they grabbed on to URP. And when URP was supposed to be for the little man in the community to do a “lil box drain, to cut a lil grass, to fix a lil thing in the community”, they allowed the big sharks to come into this small pond. [*Desk thumping*] Big, dark sharks, their sharks, to come into the small pond. And listen to some of what they did; it was only contract, after contract, after contract. They like contracts, and as I have said before, not with a view of making us better, looking after our well-being, but with a view of getting an opportunity to access state money. That is what they did. So, listen to some of what happened; in Couva, for example, they did three—

Hon. Member: Couva.

Hon. F. Hinds: Couva. Quiet Member for Couva South sit down there watching me and talking about the Member for Laventille East—or, by the way, let me congratulate my friend. From the time I met him I had confidence in the young, cool, beautiful Rastafarian brother. [*Laughter and desk thumping*] I mean, I was proud when I looked on his résumé and I saw his degree in engineering from UWI and his postgraduate Master’s degree from, I think it was South Hampton, is it?

Mr. Leonce: Manchester.

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Hon. F. Hinds: Manchester University out in the UK, and I knew we had a talented, beautiful young man [*Desk thumping*] out of Morvant on our hands, and he made a nice cool contribution extemporaneously this morning. I want to congratulate him. [*Desk thumping*]

Yes, Couva! And I told the Member for Couva South he brighter than him, so keep quiet.

2.45 p.m.

Mr. Indarsingh: I will speak whenever—

Hon. F. Hinds: You can keep quiet. Three hundred and thirty-one projects, total estimated cost, Madam Speaker, \$107.2 million—[*Interruption*]

Hon. Imbert: In one place.

Hon. F. Hinds: In Couva—[*Interruption*]

Hon. Imbert: Alone?

Hon. F. Hinds:—alone. Little URP, shark in the place, 331 projects, \$107.2 million.

Hon. Members: “Waow”.

Hon. F. Hinds: Understand that.

Mr. Indarsingh: Couva region. Say the Couva region.

Hon. F. Hinds: You could duck and dance how you want, a shark is a shark, especially the deep water one.

Hon. Member: Shame on you.

Hon. F. Hinds: And if you thought that was bad, let me get you another one. In the Siparia region—[*Crosstalk*]

Madam Speaker: Members, Members.

Hon. F. Hinds: Yes, and some big, big, fellas walking here. In the Siparia region, I am advised, \$230 million in the little URP. And that is how they do it. That is how they did it. But more will be said and done about those things at a later stage.

Madam Speaker, you will remember, the public is fully aware that one Stacy Roopnarine, who is no longer in the atmosphere, she was quickly sauntered off to another Ministry, she raised a matter with the Prime Minister—

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Mr. Deyalsingh: With the then Prime Minister.

Hon. F. Hinds: Yes, with the then Prime Minister. I have in my possession the famous or infamous, depending on where you stand. If you are on the side of morality it would be infamous. If you are amoral or worse, immoral, it would be otherwise. This is:

“From: saroopnarine@hotmail.com

To: kamlapb1@gmail.com”—one that I am familiar with.

We heard it another time in this place.

“Subject: Curepe Interchange

Date: Thu, 4 Sep 2014...

Hon Prime Minister”—she writes.

“I wish to bring to your attention a matter of grave concern regarding the Ministry of Works and NIDCO.”—which falls under my portfolio and I am concerned about it, hence its relevance.

“The reason I am writing this email to you is because I know you stand for transparency and accountability...”

I will put after that “(sic)”. [*Laughter*]

Hon. Members: S-I-C-K?

Hon. F. Hinds: It could be S-I-C-K too. If two tins of peas rolled from some place accidentally, do not worry.

“...and I feel this issue has potential to affect you and our Government.”

So this is a junior Minister telling the Prime Minister:

I feel that this has the potential to affect your Government.

“I would like to draw your attention...the attached letter from the President of NIDCO to the PS”—Ministry of Works and Infrastructure—“and I would like to list some facts as follows:

Based on the rules of the Evaluation committee of NIDCO...

...the first ranked bidder on this project was VINCI construction. NIDCO proceeded to enter into negotiations with the first ranked bidder and was able to have cost reduced from 522M to 442M.

The revised engineer's estimate was in total 408M, so that the first ranked bidder was not much higher than this estimate.

Cabinet approved the sum of 309M in 2011 for this project. However none of the bidders on this project came in at this price or lower. In fact, the second (local group led by Lutchmeesingh) and third (GLF and Coosal) were 331M and 416M respectively, so it is very unlikely that the cabinet approved budget price would hold.

I was advised that the Minister of Works—and he knows himself—“called in the entire board of NIDCO where he advised verbally that he did not have the money to pay 442M to make the award and that he is sticking to the budget of 309M. I am advised that he said”—the Ministry of Works and Infrastructure—“will not put it in writing and therefore asked the board to take a decision. I do not believe this was a matter for a Minister to discuss with the Board as it is highly inappropriate because no award has yet been made.

The board of NIDCO prior to this intervention were fine with the position of the letter attached. However now I am advised they are pressured to make an award contrary to the first ranked bidder based on the fact of the client's—or the Ministry's—“inability to pay. There is a board meeting...this morning where the board is to decide what they would do. It would appear that the proposal is to terminate negotiations with first ranked bidder (Vinci) and engage second ranked”—bidder—“(...Lutchmeesingh). I believe there may be Legal Issues if they go this way.

I am very concerned with the appropriateness of this process. It is my view that NIDCO went through an ardent process and have followed tendering and procurement rules and we should be guided by the Evaluation Committee's report. I wish to further state that...the years we have worked as”—Ministry—“and NIDCO, there has not been one issue of public scandal with NIDCO which is responsible for major infrastructure projects in this country. However,”—listen to this, Madam Speaker—“now we are seeing articles in the Voice newspaper”—I would put “floor cloth”—“attacking our own board members on the award of this project when they have done no”—wrong. “Indeed it is a very sad thing.”

And so the letter continues.

What happens shortly thereafter is that that Minister was removed from that Ministry and further down the road removed from the UNC's team. She does not appear here today. That is the reward for raising this with the Member for Siparia,

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as Prime Minister. And I remember immediately another Minister, Gary Griffith. And I remember David West, and I remember, I think, Helen Squires Gomez, an accountant who did an audit out in Petrotrin. That is the reward you get for standing up—[*Interruption*]

Mr. Al-Rawi: NGC.

Hon. F. Hinds: NGC—for standing up for what is right once they were in power. Well, I want the country to hear today, our leader has indicated clearly, a thousand times to all of us, that behaviour in Trinidad and Tobago in his Government, party done. [*Desk thumping*]

And this is why we know that leadership is the key. I am not saying that my friends on the other side are criminals. I could not say that. But I could say that under them, white-collar crime and graft and thievery in this country proliferated. And I see a look of agreement on all of their faces. [*Laughter*]

He spoke a bit about the Ministry of Works. I have some figures here as well, Madam Speaker, just to let the country understand where we were and how they dodged a bullet, a fatal bullet on September 7. With the state of the economy as it is, as we know now, falling from the lips of the Minister of Finance, you can imagine what would have happened if they had spent one more month in our Treasury, in termitic fashion they would have eaten the furniture and all. The cupboard door, the lock, everything they were going to take. Let me permit myself another metaphor. It is as if they were big rats in the kitchen.

Between 2002 and 2010, Madam Speaker, in respect of the Ministry of Works, number of projects implemented, 3,881; between 2010 and 2015, 2,319. So between 2002 and 2010 you add substantially more, 1,500 more in the two periods under review. The approximate cost for the 3,881 projects was TT \$3.4 billion. But for their 2,319 projects the cost, as you would not be surprised, over \$1 billion more. It is \$4.85 billion. And the approximate length of roadway that was dealt with in those projects was 2,245 kilometers. They managed only 1,755. So we did more projects costing less and we sorted out far many more roads and kilometres of roads. And I want the public to understand, in my so saying, where we were and the direction we will take this country henceforth. Even in the world of legal fees, I know my colleague on my right, he did a study of this. Another demonstration, manifestation of the abuse of which I spoke.

In my Ministry, and I suspect I have not gotten all the figures because it is a task, and when they were leaving Government in some state agencies we had reports of shredding taking place and cover-up which is their hallmark, their

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ethos. Legal fees—does not give me great joy—in my Ministry. I see here, one Senior Counsel called Avery Sinanan, and the service he provided is: validation, legislation to regularize, validate air transport, licences and decision taken by ATLA, policy to be adopted and implemented by Government. For that, \$1/2 million just so.

Hon. Members: Wow.

Hon. F. Hinds: The well-known Jagdeo Singh. Two entries, legal fees for opinion and advice. That is opinion you know, Madam Speaker, on the proposed action by Ramdass Transport Limited; re: advice - Transport Commissioner; re: advice - Motor Vehicle Authority project, \$670,000 just so.

Hon. Members: What!

Hon. Imbert: “Ah letter?”

Hon. F. Hinds: Yes, Sir. Just so, just so. Look it here.

Hon. Imbert: Six hundred thousand for a letter?

Hon. F. Hinds: Yes, yes. For those who know the game of “whe-whe” in the old days. They have a thing called “damblay” when he come back—and hear this one. He is coming a lot. You would hear Mr. Young. Jagdeo Singh, legal fees for opinion and advice on the proposed action by Ramdass Transport Limited, again, eh. Opinion: switching and surveillance; job evaluation exercise; Central Tenders Board; advice - traffic regulation, \$530,000 just so.

Hon. Members: What!

Mr. Imbert: So a million.

Hon. Members: One man make a million dollars.

Mr. F. Hinds: Just so.

Mr. Imbert: “Ah letter.”

Hon. F. Hinds: And, of course, they came to Parliament with a Bill knowing that there were constitutional complexities and matters that required professional and expert comment, they came to ram it down the throats of my colleagues, ram through with their majority and passed it here. They met stiff opposition in the Senate. That was the Motor Vehicles and Road Traffic (Amdt.) Bill, 2014. You remember it?

Mr. Deyalsingh: Yes, yes, we voted against that Bill.

Hon. F. Hinds: And it flopped.

Mr. Deyalsingh: We voted against that Bill.

3.00 p.m.

Hon. F. Hinds: They wanted to ram it down our throats and the country's throat. You know what, Madam Speaker? Mr. Zainool Hosein gave advice in that.

Mr. Imbert: Zainool Hosein?

Hon. F. Hinds: Yes!

Mr. Imbert: The Chairman of the Integrity Commission?

Hon. F. Hinds: I do not know if it is the same person, but it says Zainool Hosein, \$250,000, just so—just so.

Mr. Imbert: We have “tuh look at de timin ah dat.”

Hon. F. Hinds: “Jes so. Jes so.”

Mr. Deyalsingh: “How come Princes Town eh saying nutten bout dat?”

Hon. F. Hinds: “Jes so!”

Mr. Deyalsingh: “How come he eh say nutten”?

Hon. F. Hinds: And, Madam Speaker, that motor and transport Bill, during the campaign I stood at the Hi-Lo car park, and in overwhelming admiration, saw my then political leader and Leader of the Opposition—

Hon. Member: Then.

Hon. F. Hinds:—deal with a matter—prosecute a matter—dealing with that very project where, on November 16, 2011, that former Government got the Cabinet to approve a number of measures around it. The matter for the consideration of Cabinet was to remove the National Infrastructure Development Company (NIDCO) as the project manager for that MVA building fiasco, and to put in its place NIPDEC. I cannot understand why. We established NIDCO specifically for that. And rather than operate whimsically, let me take the opportunity to inform the country that my Prime Minister has established a committee on National Physical Infrastructure which will be chaired by him. It will be populated with the Minister of Finance, the Minister of Works and Transport and a number of other persons and we will put together a virtual think tank in this subcommittee of the Cabinet to drive the question of development in Trinidad and Tobago. [*Desk thumping*] Not like how “dey does do it”.

In my Ministry, the PURE Programme—that is a great job; a number of young engineers doing great work. We have some things to tweak to make sure that we get value for money, and I promise this country we will. I promise my leader there will be no wastage in the Ministry of Works and Transport. I want the world to know, it is my bounding duty to make sure Trinidad and Tobago henceforth gets value for money—so my Prime Minister say. [*Desk thumping*] We live by that! We live by that.

And in the PURE Programme, if I might digress briefly, Madam Speaker, when they finished make the list, it did not even go to the Minister. It went to the Prime Minister of Trinidad and Tobago who decided who will get what contract and who would not. Let them doubt that, and if they want to doubt it, go and spin “dey” wheel. [*Dr. Gopeesingh rises*] He does not know anything.

Dr. Gopeesingh: Madam Speaker, 48(6), imputing improper motives.

Hon. F. Hinds: He does not know anything. He does not know. The Minister remained in his seat.

Dr. Gopeesingh: Sit down. The Speaker has to rule.

Madam Speaker: I rule that there is no breach of the rule.

Hon. F. Hinds: You better concentrate on EFCL and the audit that is coming. [*Desk thumping*] I know you have no hair to lose in it. [*Laughter*]

Dr. Gopeesingh: I will take some of yours.

Hon. F. Hinds: You “cyar” have my hair. This is too beautiful. This is too beautiful. You “cyar” have this. [*Desk thumping and laughter*] Oh no! No! You “cyar have dat”. No, man, you “cyar have dat”.

But I was telling you, before he was attempting to distract me, they went to Cabinet, as well, to give the Minister of Finance the authority to raise \$339 million because that was supposed to be the cost of the project. You would recall at that Hi-Lo car park my leader very accurately pointed out—and the bond was advertised; it was done. My leader told the country revealingly that night that the project eventually cost us \$1.09 billion.

Hon. Member: What?

Hon. F. Hinds: Yes!

Mr. Deyalsingh: Say that again.

Hon. F. Hinds: One point zero nine. That means \$1 billion and \$90 million.

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Mr. Imbert: For what? Motor vehicle?

Hon. F. Hinds: Yes!

Mr. Imbert: What? Nah!

Hon. F. Hinds: And we have a big building in Frederick Settlement—

Madam Speaker: Hon. Member, your 45 minutes have expired. You are entitled to 10 more minutes but you have not made a request.

Hon. F. Hinds: I would like humbly to make a request for 10 more minutes, if it would please you, Madam Speaker. Might I proceed?

Madam Speaker: Proceed.

Hon. F. Hinds: Thank you very much. [*Desk thumping*]

And while all of that was happening, Winston Dookeran and the Member for Caroni Central, they all sat there like naughty babies—permit me a metaphor—in a wet and soggy diaper but did not cry or shout once. They had nothing to say—sat in the Cabinet and saw it happen. Even a baby, when the diaper is soggy and messy, it wiggles and tells the parent something is wrong. They had not a word to say, especially the Member for Caroni Central—not a word, like a bad baby.

Mr. Deyalsingh: My God! And that is the procurement people, yuh know.

Hon. F. Hinds: Yes. And that is the procurement guru.

Mr. Deyalsingh: The procurement guru.

Hon. F. Hinds: Yes, yes.

Mr. Deyalsingh: Transparency.

Hon. F. Hinds: And you know what? They were supposed to have constructed that major facility and four outlying offices to support it, and you know, \$1.09 billion—more than three times the cost. That is what they did, and it is far from complete.

Let me report to you, Madam Speaker that we contracted Barrington Consulting out of Nova Scotia in Canada, and this whole thing is really about making accurate, reliable records about our motor vehicles on the road available to people wherever they need it. All you need is a kiosk. There are people who operate a business out of a briefcase with a laptop. They went and spent, what should have been \$45 million, \$219 million on that building in Frederick Settlement.

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We still “eh get de software for de application of this project as yet.” We have to go back to the Canadians and, no doubt, pay more. So this Government, on our behalf, focused—rather than on the technology and on the software—focused on the building because that was contract, an opportunity to have fun, and we “eh get de technology yet, and we still eh get de four outstations yet”.

And we are now working to make the records reliable in my Ministry. And I want to congratulate my Permanent Secretary. When I went there I met something in place and I am confident in my mind, it will make the records of the licensing office—a problem area, where the public perceives corruption is rampant all across the system. It is my intention and I want the world to know, while I stand here on the authority of my leader, to do something about that.

So let me say a little bit in the two minutes I have left. Our manifesto is clear. We published it in fine style from the Radisson for the world to see. I “doh” have to spend too much time running the pages on it. It is a public document; it is on the website and it has now been made government policy by Cabinet. [*Desk thumping*] We are intent on continuing the transport master plan which we began in 2008. We will develop the major projects. We will develop the national highway grid. We will complete the San Fernando to Point Fortin—or rather, Mr. Dillon, my colleague from Point Fortin says, it is the Point Fortin to San Fernando highway. We will complete that. We promised a ring road around Chaguanas, one around Sangre Grande. We promised a port in Toco to make access to Tobago more sensible and easier for our people. We have put together the National Physical Infrastructure team and we will embark on those projects.

We are in consultation already with the IDB as we promised during the campaign. We said we support a mass transit system. It has a number of very positive effects, including environmental, including a reduction in the need for the gas subsidy, including improving the well-being and the quality of life of our citizens. Others have done it and we could, under good leadership.

But we said while that is our plan, we will give ourselves and the country the benefit of objective, knowledgeable, professional advice. The IDB has that expertise. It will look at the sociological and the economic circumstances. And we have said, and we maintain that once we pass the IDB test, then we will go ahead with the project, and so it will be.

[Glass falls from Opposition Bench and breaks]

Hon. Members: “Oooh.”

Hon. F. Hinds: That is what happened to their Government on September 07. [*Desk thumping*] It fell down and it crashed. And as I close, Madam Speaker, I consider it to be a symbol of Almighty God—

Hon. Member: That is right.

Hon. F. Hinds:—coming from the desk of the Member for Tabaquite, that is what happened. The Government of the UNC, they stole themselves out of office in 2001 and they did it more spectacular in 2015. I promise this country good, solid government and service to the people of this country. I promise that. [*Desk thumping*] And the country must note that just about one month after we came to office, they have enjoyed, they have experienced one month of trauma-free, trouble-free Government for the first time in five years. [*Desk thumping*]

So I close by making my pledge before God and man. It is my bounding duty to ensure that I, Fitzgerald Hinds, do everything in my God-given power to keep the people of Trinidad and Tobago protected from you for the next 20 years. I thank you very much. [*Desk thumping*]

Madam Speaker: I call on the hon. Member for Caroni Central. [*Desk thumping*]

Dr. Bhoendradatt Tewarie (*Caroni Central*): Thank you very much, Madam Speaker. The Member for Laventille West was very colourful and he is an excellent speaker, and can be quite dramatic in his presentation. [*Interruption*] I did not mean it as a compliment. I was just making an observation.

Mr. Hinds: Your record is clear.

Dr. B. Tewarie: But I want to begin with the presentation by the Minister of Finance, Madam Speaker, and to say that, you know, the hon. Minister of Finance today has served this country and this Parliament in many offices, and in a sense you would say that as Minister of Finance for the first time he really has attained a high point in his parliamentary career, but I think when he presented the budget he basically undermined that high point by the manner in which he referred to the Opposition, in making his first-paragraph presentation in the budget presentation. And by politicizing it in that way and the continuation of the presentation here by the Member for Laventille West, we begin to see that there is a gap between the talk and the walk.

So, for instance, the Member for Laventille West, after the hon. Leader of the Opposition spoke this morning—what she did was, she responded to the Minister of Finance and she very clinically went through the issues, made a distinction

between the facts and the misinformation and what she showed by comparison with real numbers from real documents that are official, was that there was a lot of confusion and a lack of clarity in the information provided by the Minister of Finance.

3.15 p.m.

What the Member for Laventille West did was to simply come afterwards and read from what was clinically addressed by the Leader of the Opposition, reassert those positions and then begin his illustration and example approach to reinforce the fact of the negative picture that they had painted of the Opposition, then Government in office, for many of the five years that we were in office. So for instance, he read from a letter by the junior Minister of Works at the time, writing to the then Prime Minister, but what he did not say in all the letter was that the project was never executed. The project was never executed at all, and when you read the letter, what the letter is basically saying is that the Minister tried to get the project for a lower price, not a higher price.

So I think that we have to take what the Member for Laventille West said with a grain of salt notwithstanding the colour and the theatrics, and we need to understand that there is an agenda here. What we are debating is the budget presentation for the period 2015/2016. We are not debating here, although it is legitimate to raise, the issues having to do with the Government performance over the last five years, and therefore, I would like to address a few issues in this presentation. One, I want to bring to the Parliament some of the issues my constituents have raised with me because they met with me and they have views. They are citizens of the country and they have an interest in what is happening in the Parliament, in the Government and in the country at large.

I do not intend to spend any inordinate amount of time defending the last five years. [*Desk thumping*] Our record speaks on performance and our delivery is clear. It is visible and, therefore, I do not intend to defend anything about the last five years. I want to say a few words about energy and I want to deal a little bit with the substance of the budget statement itself. I want to address the issue of the mood of the country which I interpret to be very different. I want to say a word about the tone of this Government now in office for just over a month and then I want to close on one matter related to my constituency.

Madam Speaker, what is a representative democracy if the views of those who gave you the mandate to be their representative are not taken into account? So that on Wednesday of this week some of my constituents talked to me about their

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thoughts and feelings on the budget. I have the notes of their meetings and I took the time to pick out not all, because they raised many issues. They raised many issues but I want to raise some of their concerns as they themselves articulated it.

They wanted to know why \$10 billion, close to one-sixth of the total budget, was being spent on national security and how we would know that we got the same value for money that the Member for Laventille West talked about; how we would get the value for the \$10 billion and how we would know that we got it. And so, I am asking that question, on their behalf, to the Minister of National Security.

They wanted to know if any infrastructure projects will be done in Caroni Central and in central Trinidad; whether these will be meaningful; whether the people of Caroni Central will get jobs; whether the people of central Trinidad will get jobs; and whether small contractors as they generally are in those areas are going to be taken into account. And so, I am asking the Minister of Works and Transport, the Minister of Rural Development and Local Government and the Minister of Agriculture, Land and Fisheries if they would answer that question for my constituents.

They wanted to know if changing the tax regime for the oil and gas companies will result in more, or less investment in the energy sector; and they wanted to know how Trinidad and Tobago would benefit from such decisions. I therefore, on their behalf, refer that question to the Minister of Energy and Energy Industries for a response.

My constituents were decidedly against a rapid rail because what they understood a rapid rail to be as articulated was that it was a speed train, and they wanted to know if it would uproot their communities; whether it would disturb their homes and families; whether it would cause other problems not yet known because of lack of clarity on what is meant by a rapid rail; and they did not want the Government to take the position of a bulldozer and to put the rapid rail on track by bulldozing their way in the public space. [*Desk thumping*] And so, I ask the Minister responsible for Transport and the Minister of Finance to give some clarity on this matter and also to explain whether the decision on a rapid rail has anything to do as well—because they raised that—with a land racket involving party financiers which is also a concern of my constituents. [*Desk thumping*]

My constituents wanted to know what the new structure of local government with the central local government Ministry now abolished and a new rural development Ministry established—they wanted to know what this would mean for them. They wanted to know if it would have powers equivalent to the THA; they wanted to know would each local government entity get an agreed budgetary allocation;

they wanted to know how this would be determined; they wanted to know also whether local government would be able to raise taxes; they wanted to know what would be the extent of the transfer of power from central government to local government. So, on behalf of my constituents, I ask these questions to the Minister of Rural Development and Local Government and I await the response.

The constituents of Caroni Central became especially concerned about those questions on the future of local government when they learnt from their three councillors who were present at the meeting with me—Mr. Anil Balliram, Ms. Sandra Abdul and Mr.—*[Interruption]*

Hon. Member: You do not remember the councillor's name?

Dr. B. Tewarie: No, I forgot. Mr. Leon—the third councillor, that the breakdown of the budget allocations for 2016 left each member of the Couva/Tabaquite/Talparo Corporation with \$285,000 to build roads, \$280,000 to look after drainage and \$1 million to be divided by 14 councillors and aldermen to look after recreation facilities. They wanted to know that when they heard those numbers. The other councillor whose name I forgot was Neil Francis.

Now there are over 100 recreational facilities in the Couva/Tabaquite/Talparo region, which by the way—the Member for Laventille West was talking about the Couva region in terms of the number of projects and I want to tell him that the Couva region is the size of the island nation of Barbados. Okay? *[Desk thumping]* *[Interruption]* I would just like to be able to make my contribution if you do not mind. The constituents of Caroni Central were entirely opposed to the Revenue Authority because they felt that if not established with due care and attention a Revenue Authority can become arbitrary in pursuit of its mandate and can be turned into a political football. So maybe, the Minister of Finance would want to consider what assurance he is prepared to give that a new Revenue Authority will not act arbitrarily and operate as an instrument of the political directorate.

Now some of these concerns I am also concerned about. These are the legitimate concerns of my constituents as articulated by them and I am selling them as they were given to me, but I want to say that some of these concerns are also concerns of mine as a Member of Parliament in this Parliament and I will elaborate a little bit later on as I go.

Now moreover some of my constituents wanted to know whether the property tax would lead to the entrenchment of an elite core of a monopoly of property valuers. My constituents also wanted to know whether there would not just be a base rate but also a cap. They were very clear that the Minister of Finance said

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that he would be back to 2009 existing rates, but they wanted to know what would be the limit of the tax and what is the basis on which such a tax will be calculated to ensure equity and fairness? I want to raise these issues because they are important issues to the citizens of the country, not just for my constituents. I look forward to a response on these matters from the Minister of Finance because many of my constituents will be listening.

My constituents of Caroni Central expressed worry about retrenchment and firings in the state enterprises and agencies and they asked whether we would continue to have political firings over the course of the year, whether rising unemployment will become a feature in the society and whether raising unemployment would not perhaps lead to more crime in the society? These are people living in communities, living in villages. This is a very close-knit community but they are well connected all over the country in terms of their family structures, and these are legitimate and reasonable questions to be asked by citizens in the country about things that are happening here in Port of Spain.

3.30 p.m.

Citizens in Caroni Central were concerned about what would happen to the recently commissioned children's hospital which happens to be in their constituency and they were concerned about crime; they were concerned about land tenure; they were concerned about how quickly and fairly Government will move to regularize tenure for them. These are some of the legitimate concerns of the citizens of Caroni Central.

The citizens of Caroni Central also expressed concern about a rise in the cost of living and they wanted to know how many of the zero-rated items would now be subjected to 12 and a half per cent VAT and what would be the impact of increased fuel cost together with the increase in VAT on zero-rated items currently. So I look forward to responses on these matters from the various Ministers, the relevant ones, so that citizens of Caroni Central and elsewhere can understand really what is the impact of the budget.

The Member for Laventille West said that people were very clear; that they understood everything and that they understood we were a bad and corrupt Government and now they had gotten good Government. So I want these things—these questions that I have asked, because of the questions on the minds of ordinary citizens, I want some of these questions to be answered with clarity.

There are other issues, but these few that I have mentioned, I wish to highlight. They came straight from the people and they represent genuine and legitimate concerns of ordinary citizens in the country. I have my own thoughts on some of

these issues and I might share them later depending on how much time I have but—how I manage my time I guess, Madam Speaker. But having presented these concerns of my constituents and having asked for answers on their behalf from the relevant Ministers, I want to state my own approach in this budget debate.

The Government in office, Members on the other side, had four weeks to present a budget. I appreciate that and I understand it. Preparation would have been done and options would have been identified, but the Minister of Finance had four weeks to consider policy choices with his colleagues and to address political considerations and now we are where we are today, which is the budget has been presented and we are now engaged in debate. I do not intend to attack the budget and it is not my responsibility to praise it, neither am I going to give much of my time to spend any of my time reviewing what has happened over the last five years. That may come up from time to time over the parliamentary life and I will speak to any issues that I consider important.

But I want to simply say that many of the things said in the budget statement are not in fact true. They are basically a contextual manipulation of information and figures and numbers. Many things said by the then Opposition in the last Parliament when we were in Government are not in fact true and many things said outside of Parliament are calculated and have been calculated to misinform.

But be that as it may, we are here now, you are the Government, we are the Opposition, and therefore, what I want to do is to take a critical look at the budget and make some constructive suggestions in what we all know is a challenging situation and a hard place to be in economic and financial terms. That is not because of anything the last Government did. That is not anything that you did in the last month. That is because you have a global financial crisis that has not settled down since 2008. That is because you have an energy challenge with the rise of the importance of shale gas and a war going on in the petroleum sector that has hit every element of energy, including all commodity prices in the world and has had a significant negative impact on economic growth in the world system.

On the other side, and the Leader of the Opposition articulated what was happening in China, what was happening in Europe, what is happening in Brazil at the present time, what is happening all over the world, that is the end result of that. Not only is there this major shift in the energy economy and the energy markets and the commodity markets itself, but you have a total global shift of the production system in the world, a shift in the approach to trade in the world and the world is going through a tremendous transformation globally from finance to everything else, and that has geopolitical implications for the way the world order is likely to pan out.

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Recently, the IMF has been talking about challenges in the developing world and the emerging world, not in the settled countries, not in the more advanced economies, which already have their problems. Look at the problems in Europe in which basically a zero interest rate economy is the dominant form of existence with an influx of immigrants from everywhere.

Look at the difference in asymmetry in terms of what is going on in policy, that is to say monetary policy in the United States where interest rates are going up and monetary policy in Europe, for instance, where it is kept at zero. So all of these things are bound to have an impact on us, and really the strategy for us is really the extent to which we can work within a neighbourhood and the extent through which working within a neighbourhood can insulate us from the hardest effects of the rest of the global economy and that is not easy to navigate.

Now, we are in this crisis since—principally because the production levels of oil and gas have also impacted locally and because of the dramatic drop in the price of oil and oil commodities, and we are in that market and it has affected us, and also the challenges with gas and the commodity market. All of these things are affecting us. So it is not reasonable and right to give the population the impression that what is happening in Trinidad and Tobago today is because of something the People's Partnership did. That is wrong. It is untrue; it is not fair. It is because we are in the midst of a global crisis which hit us very hard in energy terms in January 2015, this year.

Now, we recognize that the situation economically is tough. We recognize that the financial situation is tough. And any Government now, in October 2015, would have had to face this challenge. It happens to be you but it could have been us and we were prepared for it. [*Desk thumping*] And we told—and you accused us of everything but I want to tell you, on page 79 of the manifesto we presented to this country, we headlined “Meeting The Challenges Of Reduced Energy Prices” and we talked about it and we said—I would not read the whole thing.

“...we will take the necessary steps to increase oil production by offering lease operatorships to small companies and sole operators to those who can seize profitable opportunities to produce oil and natural gas.”

And I see on the natural gas side, the Minister of Finance has taken a position that is similar but he has not said anything about oil.

“Secondly, we will make appropriate changes in the fiscal regime involving suppliers, National Gas Company (NGC) and downstream operators to ensure an increase in production and consequently an increase in the supply and availability of gas.”

And I see that that is one of the things presented in the budget statement by the Minister of Finance.

“Moreover, in our September 2015 budget...”

We were talking about the budget we will present.

“...we will rule out any rises in the global prices of oil, natural gas and other commodities and budget at the reduced assumptions for the price of oil and gas, which we made in January.”

Which is \$45 which you have done and 2.25 we suggested, you have gone to 2.75—I think it is too high. But I am not an expert in these matters and you cannot really know and time will tell whether in fact you are correct or not.

Now, we took a different approach on the question of subsidies. We said:

“We will also immediately peg all subsidies at the pump at the...\$45 level.”

Which meant that as long as oil was at the \$45 level or less, nobody would pay any more at the pump, but once it began to rise, people will pay and the Government would not continue the subsidy. You have taken a 15 per cent approach whatever the price. I just want to say that there is a difference in approach as far as that is concerned.

I want to say that what we said is that:

“We will instruct all state enterprises to address waste and cost duplication, to strengthen operational efficiencies, and to identify slack in their organisations to positively address productivity and competitiveness.”

You have been silent on this matter except to say that you are going to sell assets without identifying what assets you are going to sell. But there is nothing that has been said that has to do with the productivity and competitiveness of the State sector of living within their means and of their capacity to make a profit.

“These initiatives will begin the process of Trinidad and Tobago living within its means as we address the important issues of revenue, expenditure, gas supply to the national economy and management of the deficit. The completion of the World Bank study addressing duplication, overlap and wastage in the social welfare support sector will also make that sector more efficient.

The stimulation of the economy to propel growth through investment, expansion of the private sector, increasing good jobs, and action on some of our flagship projects in the coming fiscal year...”

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All of which we said we would do public/private and we identified 10 of them.

“...will add bounce to the economy and positively affect the revenue side.”

So our approach to the budget was that we had to move the country to living within our means; we had to have a containment effect on the entire management of the State control side of the economy. There were certain things that we were going to do to manage the subsidy side having to do with the energy sector and the lowering of prices in the global market, but we had a growth side to the economic management. Because if you only address the issue of austerity, if you only address the issue of cutting cost and you do not address the issue of growth in the economy, you are going to have a problem.

And the Member for Laventille West read out the things that the IMF prescriptions indicated by way of advice and I want to read them out again from the presentation by the Minister of Finance in his presentation:

“...implementing a property”—tax which costs the taxpayer; “broadening the VAT base;”—which means that zero-rated items are now going to come into additional cost for the citizens; “increasing excise...”—tax; “increasing corporation tax; eliminating fuel subsidies; reducing other subsidies and transfers; and introducing wage and hiring restraint mechanisms.”

That is to say sending people home, cutting their pay, not raising their pay, et cetera.

3.45 p.m.

All of these things are what are known as austerity measures. Those are the measures that led to the escalation of the crisis in Greece. Those are the measures. [*Desk thumping*] Those are the things which led to the Greek crisis creating a crisis in Europe. Those are the things which led as well to crises having to do with immigration, because when things get hard in one country people begin to move. And I want to say to you that there has to be a knowledge of this. It is important to know what the austerities option would be. It is important to know what the choices are going to be. But it is the task of Government to be judicious, to be balanced, to be fair, to be equitable and to understand what ultimately the impact of these things is going to be.

I want to say that unless you have a partner element of budgetary strategy over the next five years, that has to do with growth and development in the economy, all you are going to see is a shrinking pie and a contracting economy and hardship on the population. And that is what I am concerned about, because of the lack of

philosophical clarity, which is abundant in the presentation of this budget statement and I think that is what we need to be concerned about as a country. And I think that is reflected, without my constituents being able to articulate it in that way, by some of the concerns that they raised with me on Wednesday afternoon. I think that lack of clarity will translate into the concerns by citizens about things that really affect them.

Now, as we speak, I want to say in the energy sector—I want to speak to that because this is important for us and the crisis is indeed an energy crisis, although I want to warn, I want to caution, that the real crisis that is likely to hit, even with this energy crisis, is a financial crisis that does not originate here. It is already abroad. It is already there. It exists in the global system. Anybody who has eyes to see will understand what is happening globally and, therefore, we may very well find ourselves with a situation in which we not only have an energy crisis but we also have a global financial crisis as well.

I want to say that, as we speak, and let me focus on the energy element, there are onshore companies in Trinidad and Tobago that are beginning to send their workers home. I do not want to name those companies—there are at least two of them in the country—but I want to say that is happening. It is a fact of life, because the energy situation for some of these companies is not as it was six months, eight months, 10 months ago. So we need to do something to stabilize the energy sector now in the current situation and it is no good talking about how it declined over the last five years. What you have to do is to do something now to arrest further decline and to create a situation in which you can have stability and a stabilized energy sector, even under these conditions and under these prices in the country.

For instance, there is another matter that I want to raise, which might be part of the solution. BP is talking through and working through an investment in technology that will make a substantial difference in Atlantic LNG. These two companies are talking. And the technology involves a deep suction capability for stranded pools of gas which cannot now be recovered. Now, if this matter can be resolved to our country's benefit, and in order to do this it does require government intervention, it needs to engage all the stakeholders through a combination of both moral suasion and facilitation, because increased gas capture on production is important and we need more gas before 2017 and 2018, because the demand is outstripping supply and that is the problem of gas shortage in the country. Therefore, there is something that can be done now is what I am saying and there is a role for Government in this process. So do not blame the People's Partnership Government. Get proactive, get involved, stabilize the energy sector, and increase the gas production by getting this new technology that can capture stranded pools of gas that cannot now be recovered.

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I want to say the lease operator farm-outs are a very important part of the development process, both for the country and for the energy sector, whether oil or gas, because what it means is that at lower prices, where it does not make sense for big companies to be involved in production, small people, little people, individuals and small companies, can become involved and increase production that can address the issue of shortage between now and 2017, which is a reality.

So, I want to say that there are other options for the country. We started in our time, beginning with what you had done in the last administration, the discussion with Venezuela over the Manatee field. That was advanced very far by the Government of Trinidad and Tobago, under our watch, under the watch of Kamla Persad-Bissessar, former Prime Minister of this country. [*Desk thumping*] She took a deep and direct interest in this matter and it got to the point where it was virtually agreed that the gas from Venezuela would come through the NGC in Trinidad and Tobago. That is an opportunity to deal with 2017. It is an opportunity to deal with shortage now. It is an opportunity to deal with increased production. It is an opportunity to deal with increased income. And, therefore, I want to say that these are realities of Trinidad and Tobago which we can address, and which it is within this Government's domain to address.

The one good thing that you did is that you continued the discussions with the Venezuelan Government and that should continue and we should bring the gas home to Trinidad and Tobago because this is our country and we should secure our citizens, we should develop our country and, therefore, you should take the necessary steps, as the Government, to make that happen. Because if we were in government, we would do it. [*Desk thumping*]

I see that you have engaged the Prime Minister of Guyana. That is also an important thing for the future. Our Leader of the Opposition, then hon. Prime Minister, engaged the President of Guyana—when he became President—in Caricom in Barbados. She asked him to come to Trinidad, which he did and those discussions were beginning and there were four areas that we were going to pursue. For the future, the engagement of Guyana is important, having to do with the future production of oil and possibly gas in that particular country. So those are things that can be done.

We had engaged the IDB in what was known, together with Caricom, as the Energy Fund for Caribbean Sustainability. That is a fund to which the IDB has already pledged \$600 million, to which the CDB has already pledged \$120 million. The then Prime Minister, the Leader of the Opposition, had given a pledge to raise up to \$1 billion to make this possible. This has tremendous implications for

Trinidad and Tobago when production of gas becomes an option in 2017 and 2018, given what I am talking about with the Manatee field, given what is possible with Guyana, because it has implications for what happens in the rest of the region and Trinidad and Tobago's position in the region and the world as an energy-producing country, and those are things that we can do.

I do not want to ignore and neglect and I hope that this Government will not ignore and neglect the fact that there is a major project involving Mitsubishi, Neal & Massy and NGC that has serious implications for down streaming in this country and has the capacity to create new and cleaner fuels, based on natural gas feedstock and, therefore, I want—not only that but it has serious implications for the development of other elements of manufacture in the country. I want to say that these are all on the table.

All the bad things you say the Government of Trinidad and Tobago did before September 07, 2015, these are all our handiworks, which we are passing on to you as the Government of Trinidad and Tobago, so make use of it in the interest of the people of Trinidad and Tobago. Do not pretend that you came with an empty treasury and you cannot do anything in Trinidad and Tobago. There is lots to do.

I want to say that investment in deep water and deep water drilling was really started by this Government. The former Minister of Energy was a key player in that. There had been a hiatus for almost a decade and in fact he did that and our approach to the tax write-offs is what today makes the Juniper field exploration possible. I want to say that. Had we not changed the regime, had we not created another regime of tax incentives, that Juniper project would have been dead. If you think what I am saying is not true, go on the website and look at all the projects of bp around the world that they have closed down.

Madam Speaker: Hon. Member, your 45 minutes is up, do you intend to take advantage of the additional 10 minutes?

Dr. B. Tewarie: I would like to, Madam Speaker.

Madam Speaker: You are invited.

Dr. B. Tewarie: Thank you very much, Madam Speaker. Now, had that not been done, and if you look at the website you will see how many projects have been closed down because the cost of doing the projects is too high, but with the tax breaks we gave them it was possible to do this and that is why that has a promise of delivery of gas at some point, if we were to find it. So, you check the bp shutdowns and you will see.

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But there is one more thing to do and that is the SPT. Action needs to be taken on the supplementary petroleum tax and it has to be taken sooner rather than later. That tax was initiated when the price of oil was US \$100-plus and the budget was pegged at that time at US \$80. Now the price is likely to be between US \$40 and US \$70 over the next few years for an extended period and our budget price is pegged at US \$45 and, therefore, it is important to address the SPT if we are to deal with the issue of production and supply and if we are to encourage investments in Trinidad and Tobago.

Now, I said I would deal with the substance of the budget itself, and I want to agree with the hon. Leader of the Opposition that this is not a serious budget. It is, indeed, a half measure and it is a holding budget. It seems that the real budget will come in the midterm review in March 2016, perhaps, with the help of the IMF, since the Member for Laventille West is so taken in by these wonderful prescriptions of the IMF. [*Desk thumping*] But that is a choice that the new Government will have to make. The main reason I say that it is not a serious budget is because the revenue targets are not realistic, and I want to emphasize that. The revenue targets are not realistic. There is no way that the projection in this budget to double VAT intake in one year, in which declining activity is a stark reality in Trinidad and Tobago is going to be realizable. It is not possible. The revenue targets are not attainable.

4.00 p.m.

If a CEO took a budget to his board that was based on high expenditure, and a revenue number pulled out of a hat, he or she would be sent back to do the sums, or he or she would be fired for incompetence. If he went to a bank with a business plan, the CEO would be sent out of the office. He would not be taken seriously. If you have a high expenditure figure and the sums for your revenue intake are unrealistic, they are not going to take you seriously, because everything depends on your ability to earn the revenue.

I give the Minister of Finance the benefit of the doubt that he knows that his budget is unrealistic now; that the revenue size is unrealizable; he knows that too, but he is banking on the fact that the adjustments will be made in March 2016, when a more realistic budget will be presented, and that really makes this budget untenable as it is now, [*Desk thumping*] it is unrealistic in its revenue assumptions. There is no way the revenue can be realised and, therefore, you are going to have a major challenge, and that has nothing to do with the People's Partnership and their tenure in the last five years.

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When we look carefully at the budget, we note that there is a promise to make some adjustments to GATE, and to some welfare measures on the basis of consultations. We wait to see what the Government will do because those are very important policy decisions. Our Government was going to use the \$12 billion due from Clico to pay down debt. Your Government seems committed to use it for budgetary support, again, that is your choice. We wait to see how these things will unfold.

Now, our Government as any Government, would have made mistakes in the five years, and we acknowledge that we made mistakes, but the hon. Leader of the Opposition said, as she said, we paid the price at the polls, and you are now the Government in charge.

When we were in Government, you as Opposition assaulted us on good governance issues. This in spite of the fact that we instituted a regime of greater parliamentary accountability; [*Desk thumping*] this in spite of the fact that we passed the procurement legislation, and partially proclaimed it; this in spite of irresponsibility on the part of the Government then in Opposition. We passed the Planning and Facilitation of Development Bill, 2013. [*Desk thumping*] We strengthened FIU legislation to address white-collar crime. [*Desk thumping*] We reintroduced the CEC requirement for quarrying operators in this country, [*Desk thumping*] and we did what was required to ensure compliance with EITI standards globally. We did all of this, and yet you successfully propagandized against the People's Partnership Government on the issue of good governance.

So you are in Government now. You are in Government now, and good governance is now required of you, and in your Government's first opportunity to set the tone for governance through the Budget Statement in 2016, you did not start very well. [*Desk thumping*] On the issue of governance I say this to this honourable House and to the citizens of this country, that this Government has fallen woefully short even in this short one month.

Let us take the issue of the increase in stipends for OJTs. I am happy for the OJTs, they deserve it, but are they not on temporary contracts? The reason I ask this, is because half a billion dollars in the budget has been put aside to hire 20 graduates each in 23 Ministries. Now, from my point of view, and knowing everything I know about past administrations of which you were part, this, it seems to me is going to be used to build a partisan political cadre, that is supported by the State. [*Desk thumping*] It seems to me that you are spending half a billion dollars of taxpayers money—[*Interruption*]

Mr. Imbert: Half a billion?

Dr. B. Tewarie:—half a million, sorry, of taxpayers money as a political act. The OJT Programme—[*Interruption*] is not 55, it is half a million. The OJT Programme and the Ministerial Recruitment Programme, I want to say this, and this is the pertinent point, the OJT Programme and the Ministerial Recruitment Programme are contradictory. I call for two things to be done to ensure transparency and to support meritocratic recruitment practices if this programme is implemented. Either you absorb the OJTs as knowledge workers into permanent employment in the Ministries, and secondly, that you start among the OJTs with returning national scholars, which would mean bringing the brightest and the best into the public service, rather than political appointees. I make that statement seriously because it is important for the tone of Government going forward. Good governance, we will also demand of you, and we are going to demand it issue by issue.

Trinidad and Tobago changed a Government on September, 07, 2015. One-third of the electorate did not vote. One-third voted for you and one-third voted for us. What the country is looking for is coherence. It is looking for clarity and it is looking for a sense of assurance, that whatever the situation, we have a command of things. We will be judicious, and that we know what we are doing.

The budget as presented by the Minister of Finance does not give us that comfort, but I want to draw attention to certain things that have to do with the tone and disposition of the Government. [*Interruption*] Like the Member for Tabaquite, I became uneasy because of the statement by the Leader of Government Business that they were now in charge of the Parliament. I want to caution the Government on any attempt at executive domination of this—[*Interruption*]

Madam Speaker: Member for Caroni Central, can I just ask you to wrap up? You are out of time.

Dr. B. Tewarie: Thank you, Madam Speaker. I want to caution the Government—[*Interruption*]

Hon. Member: No caution.

Dr. B. Tewarie:—on any attempt at executive domination of this 11th Parliament.

Hon. Member: Take your seat.

Dr. B. Tewarie: We did a lot in our time as Government, to open up the Parliament and to strengthen it as an institution.

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Hon. Members: Okay.

Dr. B. Tewarie: I will wrap up by saying that we have seen—*[Interruption]* hon. Speaker, do I have your protection for a minute?

Madam Speaker: I would allow you hon. Member for Caroni Central, exactly three seconds to bring your contribution to an end. *[Desk thumping and crosstalk]*

Dr. B. Tewarie: I cannot do it in seconds. *[Interruption]* Can you give me—*[Interruption]*

Hon. Members: No, no, no. *[Interruption]*

Mr. Deyalsingh: No overtime.

Madam Speaker: Hon. Member, *[Interruption]* you have already had a minute overtime, so rather than to stop you abruptly, it is just to give you three seconds to wrap up.

Hon. Member: Thank you. Thank you. *[Desk thumping]*

Mr. Hinds: Did you say thank you?

Hon. Members: One, two, three. *[Desk thumping]*

Madam Speaker: Some order! The three seconds begin now.

Dr. B. Tewarie: Madam Speaker, what I would like to say is that the tone of this Government—*[Interruption]*

Hon. Members: One, two, three.

Dr. B. Tewarie: I cannot operate in this condition. *[Desk thumping]*

Mr. Imbert: Sit down, thank you. Next speaker.

Madam Speaker: Could we have some order, so I can have you heard in three seconds; three seconds and that is it. So it is basically to say your contribution is at an end.

Dr. B. Tewarie: The tone of this Government is not right, and I want to alert the Parliament and the country, that this tone cannot be allowed to continue. *[Desk thumping and crosstalk]*

The Minister of Energy and Energy Industries (Hon. Nicole Olivierre): *[Desk thumping]* Thank you. Madam Speaker, I thank you for the opportunity to address this honourable House, and I ensure you that we on this side will abide strictly by the time restraints. *[Desk thumping and crosstalk]*

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I acknowledge that this is my maiden contribution, and I wish to join with the other Members in Parliament in offering you my heartfelt congratulations on your election as the Presiding Officer of this House. [*Desk thumping*]

I also wish to congratulate the hon. Minister of Finance on his sterling presentation of this country's 2015—2016 budget. [*Desk thumping*]

It should be noted that the calling of the 2015 election so close to the end of the fiscal year, did not afford the Minister of Finance the time one would normally expect to oversee the preparation of such an important document. That the Minister was able to do so with such finesse, speaks volumes both to his ability [*Desk thumping and crosstalk*] and the foresight of the hon. Prime Minister, in entrusting the exacting portfolio of Minister of Finance to him. Madam Speaker, there is a local saying that “class is class, while form is only temporary”, and the Minister certainly demonstrated that he is a class act. [*Desk thumping*]

Hon. Member: It start well. It start well.

Hon. N. Olivierre: Before I delve into the substance of my contribution, it would be remiss of me—[*Interruption*]

Madam Speaker: Members, could we have a little silence to allow the hon. Member for La Brea to make her maiden contribution in silence?

Hon. N. Olivierre: Thank you. Before I delve into the substance of my contribution, it would be remiss of me if during my first contribution in this Chamber, that I did not publicly thank the people of La Brea who overwhelmingly supported me at the election, [*Desk thumping*] particularly the large turnout of youth voters for the first time in the history of the constituency.

Mr. Hinds: Well said! Well said! Gratitude.

Hon. N. Olivierre: I also wish to thank the hon. Prime Minister for his show of confidence expressed in me, with my appointment as Minister of Energy and Energy Industries. [*Desk thumping*]

Madam Speaker, the portfolio of Minister of Energy and Energy Industries is a very important one, as the energy sector remains pivotal to the growth and development of this country. As a consequence I feel honoured to have been chosen for the task, yet humbled to have been given this awesome responsibility.

Madam Speaker, coming on the heels of the contribution from the Member for Caroni Central, and listening to him talk about a meeting he had last Wednesday with his constituents, I just want to recommend to him that perhaps he can have a long

conversation with Glenn Ramadharsingh, the former MP, so that he can help demystify some of the concerns of his constituents. [*Desk thumping and laughter*]

Mr. Hinds: “Lash! Lash bad.”

Hon. N. Olivierre: But now to the substance of my contribution. Madam Speaker, the Government of Trinidad and Tobago and by extension the energy sector, had been under the control of the Members of the opposite side for the past five years. During that time, the Members on this side had been fulfilling their role as the Government in waiting, by analysing the economy and laying the policy groundwork for its future development.

The policy positions agreed upon have been well articulated in our manifesto which was so beautifully published and is available online. It is on those stated prescriptions that I will seek to build upon and provide the guidelines for the way forward in the energy sector.

Madam Speaker, having made the assertion, I will however, spend a few moments recapping some of the salient issues pertaining to the energy sector as raised by the Minister of Finance during his presentation. The Minister noted the following, and you will forgive me because I am quoting from what he said:

“Since 2008 when its”—sector’s—“contribution to GDP achieved a high of 50.8 per cent, the sector’s contribution to growth has been on the decline, reaching a low of 37.2 per cent in 2014.

During the last five years, fiscal incentives were provided for the energy sector; however, there were no specific incentives that targeted the development of small and marginal gas fields.

... the stark reality is that oil and gas production has been on a steady decline since 2010. Specifically, oil and condensate production has fallen from 100,000 barrels a day in 2010 to 80,000 barrels a day in 2015, a decrease of 20.0 per cent.

The August 2015 production low of 75,238 barrels per day is of particular concern.

We must, therefore, take decisive action in our energy sector, to reverse the stagnation and decline of the last five years.

We cannot sit idly by and allow production to decline and revenues to fall...

We will engage all energy stakeholders, upstream, midstream and downstream, in meaningful consultation to arrive at consensus on the way forward.

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The pursuit of a focused renewable energy programme is also high on our agenda. In particular, the practical use of solar and wind energy within the domestic and commercial sectors...will be important strategies in extending the life of our invaluable petroleum resources and reducing our 'Carbon Footprint'.

...we will support the present move to Compress Natural Gas usage in light of its environmental benefits and the positive impact on reducing the subsidy and transportation fuels.”

4.15 p.m.

The majority of the issues raised by the Minister of Finance in his analysis paints a worrisome picture of the present state of the energy sector. However, there is yet hope for us. As I stated earlier, we on this side have been analyzing the situation and in keeping with our diagnosis have come up with clear prescriptions for the way forward. These prescriptions are to be found in our manifesto on which we based our campaign in the lead-up to the election.

As you are well aware, the manifesto has now been adopted as official government policy. It has been laid in Cabinet, and the manifesto asserts the statistical truism that the energy sector continues to be the main driver of the Trinidad and Tobago economy, contributing 50 per cent of our GDP and almost 60 per cent of government revenues.

It has been plain to see by any rational or even casual observer that over the last five years, the management of the energy sector has been a colossal failure. Through bungling incompetence on the part of the UNC-led Government we have lost 25 per cent of our local oil production since 2010, and the sector has been characterized by natural gas production shortfalls and extremely poor decision making.

In addition, as you are well aware, the cancellation and abandonment of several projects and the violation of contractual agreements—Alutrint comes to mind—all of which were geared to support the continued growth and expansion of our energy sector have created a very difficult situation which we must now confront head-on and rectify as quickly as possible.

Madam Speaker, I can speak from first-hand experience on the collapse of hope for a brighter future faced by members of the constituency of La Brea who have chosen me to be their representative. It is no secret that a major innovative project earmarked to be located in my constituency was cancelled, unceremoniously at that—[*Interruption*]

Mr. Hinds: Discrimination!

Hon. N. Olivierre:—despite the promise of 1,500 jobs during the construction phase, 1,000 permanent jobs and 85 OJTs had already been chosen and were being trained for work in the plant, and this was unceremoniously cancelled by the previous Government and only recently, earlier this year, they turned the sod on a—[*Interruption*]

Madam Speaker: Order. I want some order, please.

Hon. N. Olivierre: The project was unceremoniously cancelled during their first year in office, and only in the very dying months of their administration they gave consideration to an alternative project. Madam Speaker, that decision is but one example that cries out for the need of us as a Government and people to adhere to another of our policy prescriptions which urges us to rebuild our reputation for integrity, transparency and respect for signed contracts and agreements. I do not need to go into the details of the lengthy arbitration and the cost involved in their cancelling of these contracts without any just cause. We now as a Government have to reverse this destructive trend. Our policy position advocates that we must now recreate partnerships and innovations that foster self-reliance and a resilient energy sector through an ethical, efficient and evolving regulatory framework.

Madam Speaker, I do not propose to spend my short speaking time dealing with the shortcomings of the former regime. The population has already weighed their performance in the balance and found it to be woefully lacking. I propose, however, to show the basis and validity of our policy positions from the context of the developments which have been taking place in the international energy arena and the expectations of the future.

Madam Speaker, I recognize that those on the other side are now without their former Minister of Energy, so I recognize that they may be lacking in the expertise to fully analyze the energy sector; [*Crosstalk*] so, as a result, I would now present what I consider a truncated overview of the sector. Given the time constraints, I would pay particular attention to the energy products which are associated with this country and which are trading in the international marketplace.

Demand for crude oil is influenced by economic growth rate expectations, which from the various forecasts are being revised downwards, with the exception of India of course. The IMF foresees slower growth in emerging markets and developing economies while growth in advanced economies is expected to increase if only gradually.

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OPEC projects economic growth for both 2015 and 2016 as being lower than the previous report at 3.1 and 3.4 per cent respectively with the Organization for Economic Cooperation and Development economies expected to expand by 2 per cent in 2015 and 2.1 per cent in 2016.

China's forecast was reduced by 0.1 per cent to 6.8 per cent for this year, and at 6.4 per cent for 2016 due to the slowdown which was exacerbated by the devaluation of the renminbi and the contraction of the manufacturing sector.

Brazil and Russia remain weak and both countries are expected to experience a recession in 2015. On the other hand, healthy growth trends are expected in India as that economy is expected to grow at a rate of 7.4 per cent in 2015 and 7.6 per cent in 2016.

Major drivers of global crude oil consumption include Latin America, China and countries of the OECD. OPEC projects world oil demand growth in 2015 at 1.4 million barrels a day. This is due to a higher than expected performance by OECD Americas and Europe in the first half of 2015. However, due to slower economic momentum in Latin America and China, world oil demand growth is projected to increase by 1.29 million barrels a day in 2016, from 92.7 million barrels a day in 2015 to 98.4 million barrels a day in 2016.

On the production side, the International Energy Agency indicates that despite recent falling-off in supply in OPEC countries, production still averaged higher than the same period last year. On the other hand, non-OPEC production was 35,000 barrels lower at 58.16 million barrels a day. This was attributable to cuts in US production, a reduction in North Sea supply caused by seasonal maintenance, and the EIA's adjustments in its method of estimating US crude oil production.

EIA forecasts that US production, which was the driver of non-OPEC growth in 2014, is projected to decline while production growth in other non-OPEC countries is expected to be modest. As a result, overall production growth is forecast to remain relatively flat in 2016. OPEC's crude oil production is expected to increase on average .8 million barrels a day in 2015 with Iraq being the main driver of production growth. Although additional supply is expected from Iran if international sanctions are removed, OPEC production is expected to remain flat. So overall, global oil supply is projected at 95.7 million barrels a day in 2015; 96.03 million barrels a day in 2016.

I would now look at prices. For the first quarter of 2015, WTI, that is West Texas Intermediate, averaged \$48.43 per barrel while Dated Brent edged \$5.21 higher at \$53.64 a barrel. The second quarter saw relatively healthy crude oil prices as they were supported by political instability and violence in the Middle East, a partial

decline in US shale production and smaller than expected builds in US crude oil inventory. These factors pushed WTI's second quarter average to \$57.84 per barrel and Dated Brent to \$61.92 per barrel. So you see an increase in the second quarter over the first quarter.

So, the trend of higher prices which was seen in the second quarter was interrupted as an upsurge in OPEC and non-OPEC production, unexpected increases in gasoline stocks, devaluation of the Chinese yuan and a contraction of its manufacturing sector, and the speculation surrounding the US interest rate increase weighed on crude oil prices. WTI averaged at \$49.30 per barrel while Brent averaged at \$54.20 per barrel. The year-to-date average from January to September 2015 stands at \$50.24 per barrel for WTI and \$54.80 per barrel for Brent.

I now look at methanol. US spot methanol prices will continue to be pressured by improving US production capacity. High natural gas curtailment levels in Trinidad and Tobago, the top source of methanol imports to the US, added another level of volatility to the spot market. That volatility intensified in 2015 as Methanex, our local company, OGI and G2X have all started plants in the US. Celanese will start up its joint venture plant with Mitsui in the third quarter, further strengthening US production. This would likely keep methanol prices at relatively stable levels throughout 2015 and 2016.

Natural gas prices had a very bad first quarter in 2015 due to a combination of issues namely, the UNC was still in Government, the drop in oil prices, increased production globally as well as decreased demand in Europe and other parts of the world. Futures plummeted 8.8 per cent during the first three months of the year. The same went for the rest of the energy industry. We should note that the US will begin shipping LNG around the world by the end of 2015 in order to meet rising energy demand which will double over the next 10 years. The US Department of Energy has approved five export projects since 2012. Cheniere Energy is first in line and is said to start exporting this year.

Recent analysis done by the EIA has shown that natural gas working inventories were 3.193 billion cubic feet on August 28, 2015. This level was 18 per cent higher than 2014 and 4 per cent higher than the previous five-year average for this week. EIA projects inventories will close the injection season at the end of October at 3,840 Bcf, which would be the third highest end-of-October level on record. So we see an increase in inventory injections.

Accordingly, the EIA forecasts that the production of dry natural gas and natural gas plant liquids in the US has increased markedly over the past few years, and the upward production trend continues in the Annual Energy Outlook Reference prices.

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Turning to ammonia, Madam Speaker, the recent energy revolution in the US has resulted in lower natural gas prices which has been impacting the global fertilizer industry. In an attempt to utilize the higher domestic natural gas production and the lower price natural gas in the US, many fertilizer companies have been building plants back there. Later this year, a large fertilizer urea plant in Iowa is scheduled to come online and two fertilizer plants are planned for towns less than 75 miles away in southern Indiana. Each of these plants would use close to .1 Bcf per day of natural gas, supporting continued growth in the industrial demand for natural gas. Developers also hope to take advantage of natural gas produced in the North Dakota's Bakken Shale. Two North Dakota ammonia-based fertilizer plants are proposed for 2018, and both are in the permitting stage, and likewise each plant would use close to .1 Bcf per day of natural gas according to their manufacturers.

The International Fertilizer Industry Association stated in a recent conference that global ammonia capacity is projected to grow by 16 per cent when compared with 2014 at 215 metric tonnes in 2019. The main contributors to the projected capacity would be in East Asia, Eastern Europe and Central Asia, North America and Algeria. Madam Speaker, all of this points to increased competition for products coming out of Trinidad and Tobago.

Madam Speaker: Hon. Members, it is now 4.30, and in accordance with Standing Order 12(2), this sitting is now suspended for the tea break. The sitting shall resume at 5.00 p.m.

4.30 p.m.: *Sitting suspended.*

5.00 p.m.: *Sitting resumed.*

[MR. DEPUTY SPEAKER *in the Chair*]

Mr. Deputy Speaker: Yes, good evening. I recognize the Minister of Energy and Energy Industries, Member for La Brea. Continue, please. [*Desk thumping*]

Hon. N. Olivierre: Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, the developments I have referred to in the ammonia sector of the industry hold significant portents for us in Trinidad and Tobago. It is worth restating that Trinidad and Tobago is currently the world's largest exporter of ammonia, delivering 4.3 million metric tons in 2013 with the USA being its principal market. In 2014 there was a decline in US imports of ammonia and urea. The evidence suggests that this decline would continue with the coming on stream of the new ammonia plants proposed for North Dakota in 2018.

On the issue of local content this Government aims to maximize local content and local value added through appropriate guidelines and legislation. Mr. Deputy Speaker, this was our intention from the onset when the Cabinet appointed the Permanent Local Content Committee in April 2004. That committee was given the responsibility to continually and closely monitor the various activities in the energy sector to ensure that, as far as possible, all energy projects included opportunities for the development of the expertise of nationals and maximization of the level of local content and local participation.

The Permanent Local Content Committee had as its first mandate the finalization of a policy document on local content and local participation with specific recommendations on the desired levels of local content to be obtained in the energy sector projects. The document was prepared, received approval from Cabinet and launched in February 2006. This policy aims to provide an incentive for investment by local companies in the oil and gas industry to develop the indigenous human resource base, to endow the country with high quality technology, and, generally, to improve industrial capability in the country in a sustainable manner.

Mr. Deputy Speaker, a number of tangible benefits were realized following the implementation of the local content policy provisions. In this regard, the fabrication yard, established in my constituency at La Brea, stands out as a beacon of what could be achieved when national will, opportunity and effort are all harnessed. This achievement and other successes notwithstanding, the Permanent Local Content Committee experienced an extended period of dormancy during the period 2011-2015 when only two meetings of the body were convened. We on this side consider that to be a crying shame that this important committee was left in abeyance during the tenure of the other side.

Mr. Deputy Speaker, it is the intention of this Government to resuscitate the Permanent Local Content Committee and build on its earlier foundations. In so doing, an assessment will be made of the recommendations which emanated from the last meeting and consideration will be given to their implementation once found to be in line with current thinking. In order to ensure that the local private sector obtains the largest share of the activity generated by the energy sector, especially in exploration and production, in addition to more traditional areas, such as, fabrication, remediation, construction, design, logistics, well services, platform operations and maintenance and support services. All of these policies are identified and specified in our manifesto.

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Mr. Deputy Speaker, as a Government we see local content occupying a broader horizon and we are not prepared to limit our activity to the just stated goal. During the not-too-distant past, and certainly within the lifespan of many who are within the hearing of my voice, Trinidad and Tobago hosted a fine array of local energy sector companies, some of whom have even exported their services to other countries. At present we are not that fortunate and this situation reinforces the pressing need to promote local content. In this regard, the Government has recognized the need to reverse the current trend and has taken the position that we will facilitate and encourage the growth of locally-owned energy sector companies through fiscal and monetary incentives and concessions.

I will now turn to renewable energy. Mr. Deputy Speaker, last year, against the backdrop of falling oil prices during the second half of 2014 and increasing global energy consumption, renewable energy continued to expand significantly in installed capacity and energy produced, especially in developing countries. The most rapid growth occurred in the power sector, dominated by wind and solar photovoltaic, and hydropower technologies. By the end of 2014, renewables accounted for approximately 27.7 per cent of the world's power generating capacity. Globally, investments in energy efficiency are also increasing, with the International Energy Agency estimating that the energy efficiency market is worth at least US \$310 billion a year and is growing.

Countries have been preparing for the global climate change dialogue scheduled to take place in Paris next month, and it is expected that the Kyoto Protocol will be replaced by a new climate agreement. Trinidad and Tobago will be represented at these talks and is very pleased with the opportunity to present its position on climate change mitigation.

So what is Trinidad and Tobago's policy position on this topic? As identified in our manifesto, the Government will aim to maximize, where practicable, the use of renewable energy, such as solar, wind and wave energy, through incentives, concessions and enabling legislation, and make reduction of Trinidad and Tobago's carbon footprint a priority by setting appropriate renewable energy production targets, as has been done in the European Union where EU countries have been mandated to achieve a target of 20 per cent of energy production from renewable energy sources by the year 2020.

In treating with the long term, consideration will be given to the achievement of at least 10 per cent of local electricity generation from renewable energy by 2021. Important to the realization of this goal will be an increasing focus on supporting wind and solar energy development. To support renewable energy

resource assessments locally the current status of the Wind Resource Assessment Programme and its pending Green Fund application will be revisited, with a view to re-strategizing to fast track the commencement of this important project which is pivotal in supporting bulk renewable electricity generation locally.

The Government will also expand on current initiatives to promote or scale up local renewable energy and energy efficiency initiatives, and the Ministry of Energy and Energy Industries will be equipped with the requisite resources to manage and regulate the developments taking place in this important area. Over the short term, the Government will subsidize and promote the use of renewable energy resources in the residential and commercial sectors for heating and lighting.

It is my understanding that a feed-in-tariff policy was approved by the last Cabinet in June 2015, which seeks to promote the implementation of renewable energy by obligating the local utility to purchase electricity generated from approved renewable electricity generators at guaranteed prices. While this Government supports this policy, from discussions with the staff at the Ministry, I have drawn the conclusion that the existing policy did not receive the benefit of wide stakeholder support. So, we intend to review this policy accordingly with the aim of achieving broad consensus from all interested parties.

Mr. Deputy Speaker, in moving forward, the Government intends to examine prospects for the development of new industry, such as wave energy and waste to energy. We will also foster innovation and awareness and acceptance of these new technologies. The development of renewable energy and energy efficiency technologies will be key areas in support of increasing our energy security and reducing our reliance on fossil fuels to power our economy. It is anticipated that these measures will all work in tandem to give effect to increased green energy development and contribute to a substantial reduction in Trinidad and Tobago's carbon footprint.

Mr. Deputy Speaker, I shall now speak to upstream initiatives. While we seek to broaden and deepen our reach in the renewable energy revolution we still need to bear in mind that Trinidad and Tobago is primarily an oil and gas economy. It must be noted that while fiscal incentives in renewable energy sector projects tend to be significantly less than those demanded in the traditional oil and gas sector, the rates of returns gained from successful ventures in the oil and gas sector are poles apart from those achieved in renewables. In facing this reality we on this side, as a prudent administration, must pay attention to the sector of the industry, which has the potential to stimulate the economy and provide the means for ongoing diversification. The statistics have borne out the startling reality of the ongoing fall in oil production and the decline in our oil and gas reserves.

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Mr. Deputy Speaker, the reality of the situation is that one can do only so much with identified reserves from which we have been producing over the years before decline sets in. In such a scenario the emphasis must be to seek and find new deposits. In this regard, we have no choice but to give effect to and place emphasis on one of our policy positions: to create an environment in which producer companies, both existing and new, become aggressive about seeking new discoveries in oil and gas.

In seeking to achieve the aforementioned policy proposal, it is important that we interact with the players involved to lay the groundwork for a smooth and, hopefully, successful foray in exploration activity. I want to emphasize at this point that it is with that goal in mind that we have stated quite forcefully in our manifesto that we will, upon assuming office, immediately commence open, transparent and formal discussions with all players in the Trinidad and Tobago energy sector—upstream, midstream and downstream—to achieve consensus on appropriate improvements to our oil and gas taxation regime, incentives and gas pricing regime.

In managing this important economic sector we will do so as a Government which is prepared to consider the views of industry participants and work together in implementing appropriate strategies that will greater benefit all sides. Mr. Deputy Speaker, as a consequence to the foregoing policy initiative, we also propose to ensure that we have an attractive, competitive and responsive fiscal and regulatory environment that will maximize recovery of our hydrocarbon resources and national income and put us back on a path to sustained growth in the sector.

Mr. Deputy Speaker, in tandem with what I have just mentioned, we plan to accelerate and conclude negotiation of new gas supply contracts, to replace long-term contracts that are due to expire in the next few years; one of them due to expire by December 2013, a major gas supply contract. We will renegotiate these—[*Interruption*]

Mr. Singh: What is—December?

Hon. N. Olivierre: December 2015—in the best interest of the country and all stakeholders. In fulfilling that objective, we plan to create an appropriate fiscal regime with adequate incentives to encourage the production of stranded oil and gas, both on land and offshore. It is an open secret to energy insiders that there are identified pockets of oil and gas which have not been produced because of concerns over the rate of returns on the attendant investments. In an environment of declining production we need to rethink some of the current approaches and ensure that we get the resources up to the surface.

Mr. Deputy Speaker, after more than one hundred years in the business we most certainly have found and developed the majority of our energy resources that lie within easy grasp. We have essentially picked all of the low-hanging fruits. So, the emphasis from this point going forward is to open the frontier of exploration, both in width and depth, into those areas further away from our shorelines and into deeper waters. In going along this route different strategies will come into play and different scenarios will have to be considered. It certainly will not be a case of business as usual. In this regard, we need to develop appropriate strategies to monetize the discovery of natural gas found in deep waters, which are classified as expensive gas.

Mr. Deputy Speaker, as we push our exploration efforts into deeper waters we remain mindful of certain realities and are optimistic that important discoveries will be made. We anticipate that costs will be greater exploring in this environment, however, we remain optimistic that finds will be significant to justify the expenditure. Furthermore, given the time frame within which anticipated success will materialize, we remain reasonably hopeful that the market dynamics would by then have turned the full circle to an era of better prices. The oil and gas industry has moved a long way forward and, with the assistance of new tools and better interpretation techniques, a lot of the guesswork has been eliminated from exploration activities. We remain hopeful that we will find both oil and gas in the new frontier.

5.15 p.m.

Mr. Deputy Speaker, in conjunction with the upstream initiatives which we intend to pursue in the local arena, we remain ever mindful that the energy industry, like the financial sector, is international in scope. In that regard, and taking into consideration the several overtures for collaboration we have had and considered from other countries in the past, our policy proposals speak of a commitment to render support and encourage local professionals and service companies to new and emerging oil and gas producing countries within Caricom, Africa and elsewhere.

Our local industry has benefited from imported expertise in our formative years, and continues to do so in selected areas of endeavour, even up to this point. However, the reality is that Trinidad and Tobago with its long years of involvement in the energy sector has developed a well-trained cadre of energy professionals whose experience and know-how could be of assistance to these new and emerging oil and gas producing countries. Furthermore, nationals from these States would also wish to take advantage of the excellent training opportunities which can be accessed locally.

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So, as we seek to push the scope of our involvement in the industry even further, it is our intention to go beyond the boundaries of Trinidad and Tobago. In this regard, it is our policy position to encourage and facilitate partnerships, investments and joint ventures with oil and gas companies and state agencies overseas, focusing in particular on Guyana, Suriname, Ghana and Tanzania.

Mr. Deputy Speaker, we share a close association with Guyana and Suriname who are our next door neighbours and belong to Caricom. Guyana has had the good fortune of having made a significant oil find within its borders. While this opportunity to work together may not exist in this particular discovery, we are nevertheless optimistic that other possibilities will open up in the future. Such new opportunities could become a reality through our diplomatic efforts, and towards this end the Government proposes to utilize the National Gas Company as the investment vehicle for new energy and hydrocarbon-based industries, both in Trinidad and Tobago and overseas.

As I alluded to earlier, the energy industry is international in scope, with vertical, horizontal and international linkages. Many years ago, the newly independent Caribbean countries of Jamaica, Guyana and Trinidad and Tobago, were giving consideration to a venture involving the bauxite and energy riches of their representative producing countries. It may well be that the initiative in question might have been too forward-thinking for its time. However, the present international dynamics present clear opportunities for comparable ventures in the energy arena, and it is our aim to seek them out and not drop the ball when they are identified.

You may recall that in 2010, how close we were to a lucrative energy investment in Ghana; however, due to the lack of vision of the Members on the other side when they were in government, that investment was allowed to lapse. We do not intend to follow that pattern this time around.

Since assuming the post of Minister of Energy and Energy Industries, I have been briefed by my staff on the signing of a memorandum of understanding between the Governments of Trinidad and Tobago and the Cooperative Republic of Guyana concerning cooperation in energy and energy matters. I have been advised that the aim of the MOU is to develop the energy and energy-related sectors of Trinidad and Tobago and Guyana, and that the parties agreed to cooperate in the areas of joint training, education and research, sharing of information, expertise and best practice and cooperation in projects in the field of renewable energy. It was emphasized that Guyana has increasingly been looking to Trinidad and Tobago to assist in augmenting their capabilities in oil and gas,

and Trinidad and Tobago has been keen to cooperate in renewable energy as it continues its thrust towards clean energy. We on this side pledge to follow up on this undertaking as a demonstration of our commitment to integrity, transparency and a respect for signed contracts and agreements, which as I noted was a major flaw in the armour of the last administration.

Opportunities still exist in Ghana and Tanzania. Trinidad and Tobago has a long-standing relationship with Tanzania after establishing formal diplomatic relations with the country in 1970. Official visits between the two countries have mainly taken the form of study tours, with the visiting country gaining knowledge and expertise from the host country. Tanzania has recognized Trinidad and Tobago's capability in the energy sector and has eagerly taken steps to learn from our wealth of knowledge.

The Government of Trinidad and Tobago has acknowledged this and endorsed the engagement with our Tanzanian counterparts on several occasions. It is to be noted that a delegation from Tanzania visited Trinidad and Tobago in 2012 on a study tour, while a delegation from Trinidad and Tobago participated in the Sixth East African Petroleum Conference and Exhibition in Tanzania in 2013.

One of the main objectives of sending a delegation to represent Trinidad and Tobago at the conference was the global promotion of Trinidad and Tobago's energy sector and services. The delegation was able to meet with Ministers of Energy and Permanent Secretaries of Kenya, Uganda and Tanzania. Mr. Deputy Speaker, we intend to build on these initiatives as we try to extend the reach of our involvement in the energy sector beyond our shores.

Mr. Deputy Speaker, on the issue of strategies for the future of our natural gas industry, we would be guided by the findings of the recently commissioned Trinidad and Tobago Natural Gas Master Plan. I need to emphasize at this point that, based on my cursory look at the document, I have come to the conclusion that the master plan as completed seems to be traveling the same road we have advocated in our policy. However, we just need to do some tweaking in light of new developments that would have taken place after it was published.

We all realize that our gas resources are being depleted on a daily basis. Based on the last Ryder Scott audit report, Trinidad and Tobago could count on proven reserves of natural gas in the magnitude of 11.5 Tcf. This situation raises issues relating to management of the resources and the optimum use to which it should be put, while at the same time getting the best economic return possible. In this situation, we need as one measure to maximize efficiency in the use of natural gas in the downstream sector.

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A second equally pressing measure, which we need to implement side by side with the last, is to ensure that the gas intensive industries, such as petrochemicals and heavy industry, remain competitive and are encouraged to expand and modernize existing operations. Mr. Deputy Speaker, in taking those steps, we need to be reminded of two policy decisions I dealt with earlier, dealing with the need for producer companies to aggressively seek new discoveries of oil and gas, and the need to incentivize the production of stranded oil and gas.

The global energy industry has expanded exponentially since we had the good fortune of discovering oil and gas within our borders. We need to recognize and pay tribute to our nation's founding father, Dr. Eric Williams, and his then advisors, for the vision they demonstrated in the development of the downstream sector. The decision to go downstream has paid huge dividends to the country. However, while we have remained at what is the essentially first-stage processing, the world has moved on, and countries are now enjoying benefits of having gone further down the value chain. In recognition of this situation, we need to make the informed decision to do what is necessary to get optimum value from our diminishing resources. As a consequence, we need to promote the development of new industries and innovation, and foster awareness and acceptance of new technologies.

The development of the energy industry in Trinidad and Tobago was a significant step in the evolution of the energy sector. After some years in the energy business, there was a realization that Trinidad and Tobago was not getting an equitable share from the proceeds of the venture, given the current arrangements. It should be noted that while there has been a measure of profitability in the industry, the sad reality is that the country should be earning much more from the industry than presently obtains.

In this regard, it is our intention to develop strategies to counter the major difficulties which the LNG industry in Trinidad and Tobago now faces, including renegotiation of arrangements for a more equitable share of revenue for all players from the sale of LNG in our major markets.

Mr. Deputy Speaker: Member for La Brea, your speaking time has expired. Do you wish to extend your time?

Hon. N. Olivierre: I would like to have more time, please.

Mr. Deputy Speaker: You may proceed.

Hon. N. Olivierre: Mr. Deputy Speaker, I thank you.

In a similar vein, a number of projects were under consideration with the stated intent that through their implementation the country would be able to produce higher-value products. I dare say that these proposed ventures were cast aside because of a lack of vision by those involved. It is hoped that even at this stage it is not too late to recover the projects that have been abandoned with respect to downstream industries that are still relevant, in order to provide the country with the basic building blocks for our manufacturing industry.

Mr. Deputy Speaker, it is to be noted that arising out of this skewed thinking, Trinidad and Tobago's attractiveness as a place to do business would have fallen in the eyes of potential investors. It is a fact of life that once a country has received any negative tagging, it becomes difficult to regain ground. That notwithstanding, it is our policy position to make all efforts to restore Trinidad and Tobago's reputation as a preferred destination for investment in the energy sector.

One worrying situation, which we on this side observed during the tenure of the last administration, was the frequency with which the qualifications of persons appointed to high positions were called into question. In this regard, it is alarming that the stated phenomena seemed to extend across the spectrum in most of the Government's spheres of activity. There is certainly no room for that type of behaviour, even in a village parlour, far less in the sensitive operations of the energy sector where billions of dollars and human lives are at stake.

There is no basis for the engagement of persons whose only claim to fame is based on friendship or other nebulous criteria. As a consequence, we remain committed to attracting and retaining first-class professionals to the management and boards of state enterprises in the energy sector, while minimizing political risk and ensuring job security for these individuals.

In creating a new policy approach for the continued development of the energy sector, it must be borne in mind of the need to be people-centred, if we are to get buy-in from those who work along the entire chain—from discovery, production, management and the national community. As a consequence, we think that it is important to overhaul and revamp the institutional framework of the state agencies in the energy sector, to ensure that they can meet the demands of the global energy environment and respond promptly, transparently and effectively to proposals from potential investors.

At the other end of the chain, we need to work in partnership with business and labour to maximize output, while ensuring fair wages and equitable wealth distribution, appropriate economic returns and social justice.

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We also need to be responsive to the concerns of the fenceline communities who in some cases during recent times were affected by the negative end of the oil and gas exploration activities. I do not need to make reference to the numerous oil spills that attained under the previous administration. We need to go beyond just adopting a caring posture and put our words into action. This Government proposes to do nothing less.

In conclusion, I want to emphasize that the policy measures of this PNM Government, once they have become operational, will bring about a significant change in the administration of the energy sector and provide the road map for a more productive and long-lasting industry.

The individual policy prescriptions are intended to fit like a jigsaw puzzle, and while we will see ongoing improvements as we implement them in proper sequence, the full beauty of the picture will only be seen when all the measures are embraced and acted upon. I see the dawn of a new energy sector, and I urge the population and those on the other side to work with us in this noble enterprise. Come on, let us do this together.

Thank you, Mr. Deputy Speaker.

5.30 p.m.

Dr. David Lee (*Pointe-a-Pierre*): Thank you, Mr. Deputy Speaker, as I rise to contribute in my maiden debate on the Bill, “An Act to provide for the service of Trinidad and Tobago for the financial year ending” September 30, 2016. I also join in congratulating you, Mr. Deputy Speaker, on your appointment to this very distinguished House here today. [*Desk thumping*] I would also like to express my gratitude to the Leader of the Opposition, my political leader, for having the confidence to select me as the candidate for Pointe-a-Pierre, and I want to thank the constituents of Pointe-a-Pierre who have made me their representative, and that I stand here today proud to be the representative of the people of Pointe-a-Pierre, and to let them know that they will have a voice in this Parliament. [*Desk thumping*]

I would also like to congratulate my colleague on the other side, the Member of Parliament for La Brea on her maiden contribution. Thank you. Well done. [*Desk thumping*] But I would also like to thank her for assisting me in a matter that arose just now in the Pointe-a-Pierre constituency with a high level of smell of gas that might be emanating from Petrotrin or NGC. So, she is assisting me in that. Thank you, Member of Parliament. [*Desk thumping*]

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But before I continue in my maiden debate here I just want to let her know that the Alutrint project that she spoke about was poorly conceptualized and was based on highly subsidized natural gas. It also involved a company back then called Sural which had no money and which failed to make cash calls, and also the High Court of Trinidad and Tobago struck down the CEC for the project in 2009 by Justice Armorer.

Mr. Deputy Speaker, I would like to turn my attention to some of the issues introduced in the fiscal package of 2015/2016. I do not know where to start for there are so many issues that need explaining.

Firstly, from my understanding of a budget presentation there must be a clear path for revenue and expenditure. We have a budget projected on expenditure path of approximately \$63 billion and a guarantee revenue path of approximately \$43 billion. This has to be the largest budget deficit in the history of our country by \$21 billion. [*Desk thumping*] I understand that the Minister of Finance has indicated that to make up the deficit there are sources such as funding from the sale of Clico assets and the IPO to bring in the difference. But my rhetorical question is, how sustainable is this?

What would happen in 2017 and beyond? Are we to expect a contraction of the economy? Are we to expect a significant tightening of the belt? What are the real plans for moving this economy along a sustainable path and not only short-term growth and development, but medium to long-term growth and development? We have not seen or heard anything about the scary and likely scenario where revenues will be far less than expenditure, assuming that the Minister of Finance would continue along this expenditure path of \$60 billion plus expenditure without knowing where the revenues will be coming from. Thankfully there is a possibility of raising the revenue shortfall in this 2016 budget.

Mr. Deputy Speaker, I am concerned, frightened and worried that the economy may go into a nosedive come 2017. I am not here predicting times of doom and gloom on the economy, nor am I asking and wanting for any such situation. As a citizen of this country I want the best for my country. However, as a committed citizen of this blessed country I am concerned and hence I am asking the Government on the other side, specifically the Minister of Finance to tell us, enlighten us, what are the plans for the medium to long term in creating a sustainable path for growth and development for this economy? Are we putting all our eggs in one basket, as they say, that being God is a "Trini" and the price of oil would once again rebound to \$70 or \$80 a barrel? Nothing presented in this fiscal

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package of 2016 gives me the confidence that there is a plan over the medium to long term that would take Trinidad and Tobago along a sustained path of growth and development. I reiterate, this worries me dearly, Mr. Deputy Speaker.

You will be aware that the People's Partnership administration was condemned by the PNM administration for having a budget of approximately \$60 billion in 2014/2015 fiscal year, but this new administration has come to office and has presented a fiscal package of \$63 billion with a guarantee revenue stream of roughly \$43 billion, and there is no sustainable way presented to this general population of Trinidad and Tobago of realizing revenues to cover expenditure for their medium to long term. [*Desk thumping*] How disingenuous one can be when presenting statistics with figures. Note, Mr. Deputy Speaker, statistics can be manipulated. I say no more at this time.

The People's Partnership was condemned harshly by those on the other side for the budgets it presented over the last five years. However, I wish to state that the last Government can show tangible returns for their approximate \$290 billion we have spent over the last five years. Let me talk about some examples over the last five years. Just in—the Minister of Finance, the Member of Parliament for Diego Martin North/East just recently we built, under the last Government, a school in the Paramin area. And note, Mr. Deputy Speaker, that this \$290 billion was realized without ever once increasing the tax and placing additional burdens on the citizens of Trinidad and Tobago. [*Desk thumping*] I hope this is not a sign of things to come where this new Government would be running this economy on “voops, vaps, and vaille-que-vaille” and pulling figures from a hat as opposed to doing sound economic research and making decisions based on—[*Interruption*]

Mr. Deputy Speaker: Silence, please, please.

Dr. D. Lee:—and making decisions. Let me repeat this. I hope that this is not a sign of things to come where this new Government would be running this economy on “voops, vaps, and vaille-que-vaille” and pulling figures from a hat as opposed to doing sound economic research and making decisions based on facts and sound value judgment and manipulating statistics to serve their own agenda. [*Desk thumping*]

Mr. Deputy Speaker, on perusing the bundle of documents presented by the hon. Minister of Finance it occurred to me that he has alluded to the fact that diversification would be a key framework towards charting a course for the country in the future. Sounds good and makes sense and I would give him credit for thinking along this path, but Mr. Deputy Speaker, this is not new. This is not

the first time we are hearing this pronouncement with this Government. Sorry to say, we have heard this on numerous budget presentations from those on the other side when they were in Government and nothing has ever materialized.

Mr. Deputy Speaker, I wish to bring to this House's attention that the People's Partnership Government in the short term of five years in office has done tremendous work in this regard. The former Minister of Trade and Industry has done a lot of work in the ease of doing business in Trinidad and Tobago.

Mr. Deputy Speaker, is the situation in Trinidad and Tobago, with regard to doing business, an ideal one today? I will be the first to say no. It is not ideal, but it has come a long way in the last five years. The work has started in the last five years and today we are closer to where we would want to be relative to 2010 when the People's Partnership took up office. Very little was done before this with regard to make doing business in Trinidad and Tobago simple and hassle free.

Mr. Deputy Speaker, in the past it took days to get a licence to clear goods, to get documents to engage trade. Over the last five years, Mr. Deputy Speaker, this situation has greatly improved and kudos must be given to the former Minister of Trade, Industry and Investment. [*Desk thumping*] It was the People's Partnership Government that worked to put measures in place to deal with the bottle neck and bureaucracies that were created when the other side was in Government previous to 2010.

Some of the measures that had been initiated under the People's Partnership Government that served to enhance business operations include, inter alia, the single electronic window that took years to come into effect under the other side's watch. This was done within five years of being in office. The ASYCUDA system, another integral framework for trade facilitation, again came into effect under our watch. Government's procurement legislation that has been in the doldrums for years, the People's Partnership brought and passed this legislation with little support from the other side, and that very piece of legislation, the Competition Authority, the Fair Trading Bill and I can go on and on. But I will leave some of these legislation and regulatory framework changes to be discussed by my colleagues who may be better informed to bring to your attention.

Mr. Deputy Speaker, let us examine some of the macroeconomic fundamentals. We entered the government in 2010 with a negative growth rate of 4.4 per cent. In two years the People's Partnership Government moved this position to a positive growth rate in 2012, and this was carried over in 2013 and

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2014, and only because this country experienced an oil price shock in 2015 maybe this would be reflected in a no-growth situation in 2015. I am saying maybe, I am not even sure that the figures of no growth as expounded by the Minister of Finance for we do know how skilled he can be in presenting statistics that are skewed to serve only one purpose. I say no more at this time.

I wish to state that when the People's Partnership Government left office the country was in a sound economic position. [*Desk thumping*] Looking at the macroeconomic data it is crystal clear for all to see that the macroeconomic fundamentals were heading in the right direction. Unemployment moved from double digits to 3.7 per cent. Inflation moved from high double-digit figures to a manageable 7 per cent. Foreign exchange reserves were in a healthy position. There is a \$5 billion plus in the Heritage and Stabilisation Fund. There is over 12 months import coverage in foreign reserves.

Tell me, Mr. Deputy Speaker, are these signs of a failing economy?—as the present Government wants us to believe. I asked this for I am no more of a specialist in economies as the Minister of Finance, but these are encouraging signs even from a laymen's point of view. Foreign direct investment moved from approximately \$500 million in 2010 to well over \$1.6 billion in 2015. Now, how can this be deemed as unstable environment?—engendered by the People's Partnership Government as the Minister of Finance wants the population to believe when he made such pronouncements of gloom and doom in his budget presentation.

Investors have continuously been lured to our beautiful and stable economy over the last five years. I will keep my discussions to the non-energy sector. I would not get into the increased interest in the energy sector. I would leave that for other well-qualified and abled persons on this side to speak on those issues. What I would say is that in the non-energy sector areas what we have seen over the last five years is increased interest of business people wanting to come to our country to do business. For example, Mitsubishi, Domus and Baron Foods, to name a few. This would not be possible if the People's Partnership Government was not operating with the level of efficiency and so creating an enabling environment to attract investors.

As a businessman myself I can say with some level of certainty, if not authority, no business person would want to go to a country where the economic risks are too great. To lure business people to your economy there must be a stable government in place that knew what it was doing, your macroeconomic fundamentals must be sound and the risks of doing business must be minimal or at least very manageable.

5.30 p.m.

These sound policies, Mr. Deputy Speaker, are the state of affairs that the People's Partnership Government left in the hands of this new administration. Time will tell what they will do with it. It is early days yet; the honeymoon period, as they say, will soon run its course. Would we witness old wine in new bottles? Are we destined to see the same old PNM politics? Sad to say, but the 2016 fiscal package does not give us the confidence that the economy is going to grow from the positive rates the last Government left it when they demitted office. I am an eternal optimist normally but I am not prepared to hold my breath for an upward trajectory.

Coming back to the diversification discussions, what is there in the budget that can give the business community in Trinidad and Tobago the confidence that this new Government is serious about diversification and this time around they would be doing much more than talking the talk? Rather, they are prepared to walk the walk. As a citizen I really had to dig deep to eke out any hope of commitment to diversification from the budget. The budget speaks to diversification of the economy, and a proposal is placed for building, and I quote:

“...a...robust maritime economy.”

Mr. Deputy Speaker, this is the best that the other side can talk about, diversification. How long would this take to materialize? We have a striving business community. The only true and proven option for diversification that has been neglected over the years when your administration was in power, the People's Partnership has worked with the manufacturing sector and has taken it to a good position. They are on the verge of spreading their wings to becoming internationally competitive.

Mr. Deputy Speaker, my fear is that the same treatment of neglect will be dealt out to the non-energy business as was done in the past by this PNM administration. To neglect or fail to give to this vital sector would take it down a precipice that may be too steep to recover in the near future.

Mr. Deputy Speaker, as I alluded to the above, the non-energy manufacturing base is already established. I am confident that they have the capacity to produce further champion firms, for it has already produced a number of champions, for example: Angostura, SM Jaleel, Bermudez Group of Companies. The last administration had started the work to find new markets for manufacturing industries in the country, and it appears that this new Government is short of ideas for it did not realize that this initiative was started already. [*Desk thumping*]

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The Minister of Finance in his 2016 fiscal measures had mentioned an initiative that had already taken place. The last Ambassador for Caricom trade under the People's Partnership, the hon. Mervyn Assam had led a team that successfully negotiated three partial scope agreements with Central American countries: Panama, Guatemala and El Salvador. Panama, I believe has been completed with the other two at the advance stages of completion.

Let us not rest, let us continue to build on these agreements, work to ensure that they materialize as was envisaged by the former Ambassador for Caricom trade. There is no need to start over. Let us build on this initiative that was already created and work to ensure that at least these three agreements are functioning optimally, unlike some of the other agreements that would have been negotiated in the past where the manufacturers in the country have not been able to capitalize on the market opportunities that would have been had by the negotiations.

Mr. Deputy Speaker, again I ask rhetorically, how can the Government be serious about diversification and promoting the non-energy sector, when there appears to be an abundance of anti-business measures being pronounced in the fiscal package of 2016? Examining the presentation shows that the Government is going to be increasing the tax on the business sector via the environmental levy and the Green Fund. Property tax with the inclusion of plant and equipment is to be re-introduced. This would only serve as a disincentive to expansion of the business community.

Further, I noticed the NIS contributions will increase in 2016. Maybe this is needed, but it would only add to already increased costs that are being bestowed on the sector that is now asked to move the economy forward. Let us be real, would these measures not have an inflationary impact on the economy of Trinidad and Tobago? Traditionally, the business community will not absorb all these increases in cost. What do you expect the outcome to be? Again, I am asking, because those on the other side, through the Minister of Finance and his presentation of the 2015 fiscal measures, have put these measures in place. I reiterate, the People's Partnership Government left office with the inflation rate at a more manageable level, a much more favourable position compared to what it met when it assumed office in 2010.

Are we, Mr. Deputy Speaker, destined to go back to these double-digit figures the last PNM administration seems to favour? How can this Government be serious about diversification when they are pronouncing on diversification, but at the same time they are not creating an enabling environment that would promote diversification from the energy sector to the non-energy sector of the economy?

Mr. Deputy Speaker, a further examining of the pronouncements in the budget shows there is little said on the other sectors in which diversification can be engaged. Tourism was given a passing mention. What about business tourism? Sport tourism was mentioned. What about medical tourism? What are we going to do about these possibilities? What about education tourism? Mr. Deputy Speaker, having served as chairman of MIC for the last five years, I have come to realize that it is much that can be done with respect to attracting students from throughout the regions, even worldwide, to attend classes in Trinidad and Tobago, where we offer world-class training. [*Desk thumping*] Excluding Tobago, Trinidad has its own niches that are separate from sun, sea and sand. I am not advocating that we should ignore Tobago. That is the furthest truth from this argument.

I am putting to this House, by all means any Government should invest in hotel rooms and an improved air bridge to Tobago. This is a must, but at the same time we ought not to ignore the possibilities, especially in an era of diversification talks about tourism in Trinidad. There are great opportunities, as I said, in the area of business tourism, sport tourism, health tourism and education tourism. I have seen nothing of this nature in the budget presentation. Are we serious about diversification or are we just giving lip service to this very important development tool that could take this economy forward? What about agriculture?

I am putting it to this House, through you, Mr. Deputy Speaker, that this present Government is not serious about agriculture in this country. After all, they were the ones that decimated the agriculture industry in this country when they chose to close down Caroni Limited. So, I do not expect them to place any serious thought and development framework into agriculture. From my perusal of the budget document, I see two measures touted for agriculture.

Firstly, additional funding by the ADB, but this does not specify nor is it indicative as to how farmers will be able to access these funds. Farmers have had a long and difficult battle of accessing funds in the past. The level of collateral that is needed cannot be supplied by the farmers. So, I am putting it to this august body that making more funds available that cannot be accessed is not the answer. A more comprehensive framework needs to be developed for the farmers and other ordinary folks in the country who wish to access funds from institutions such as ADB to engage in business.

The second measure of note that I saw in the budget submission with regard to agriculture is zero-rated items for chemicals and reduced rate for vehicles for farming. Correct me if I am wrong, but are these measures not in place already?

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Again, I ask rhetorically. However, what about the perennial problems of improving the access roads for agriculture? Praedial larceny? The present budget documents are surprisingly silent on these very important matters for farmers.

The past People's Partnership administration had worked in this regard, improving the roads and drainage to farmers, lighting and water supply in this regard; improving, to name a few. I see no continuation of these measures mentioned in the budget. Making funds available to those who need it, but cannot access it, is not the solution. So, Mr. Deputy Speaker, I sum up to this point by reiterating that this present Government is not serious about diversification and agriculture.

Mr. Deputy Speaker, the issue of the reduction in VAT. This is one of the most dishonest measures presented in the budget package of 2016 to fool the people of Trinidad and Tobago. [*Desk thumping*] How is it possible that in one breath you are telling the population that you are reducing VAT, but at the same time making pronouncements of additional revenues will be generated from VAT collection? Is it that the new Minister of Finance is going to reintroduce the VAT on the present 7,000 non-VATable items? Through you, Mr. Deputy Speaker, I am asking the hon. Minister of Finance to let us know what is the real deal? I would really like to get clarity on this matter, for in this particular case one and one is not adding up to two. Maybe the hon. Minister is the better mathematician than I am. [*Laughter*]

Mr. Deputy Speaker, I want to spend a little time talking about the OJT increase in relation to the labour movement. When the price of oil was higher our Government gave an increase to these OJTs. Today, the current Minister is proposing a 20 per cent increase to these OJTs. I am very happy for them. [*Desk thumping*] Very happy, but I want to ask through you, Mr. Deputy Speaker, what is the signal to the other workers in the economy? Is it that the OJTs can get 20 per cent as a trainee, then negotiations for other employees will start at 20 per cent? I go through you, Mr. Deputy Speaker, to find that answer. I await a response from the trade unions on how they will issue their negotiations in light of this particular increase.

For example, the OJTs presently, in Level I, they get \$2,500, they will go to \$3,000; in Level II, \$3,600, they will go to \$4,320; in Level III, which are first degrees, they go from \$6,250 to \$7,500; in Level IV which is a Master's, they go from \$7,200 to \$8,640. I also want to ask a question.

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This new position of graduate trainees under this new administration, I ask, why are they not going through the OJT system? Why are they being paid, I think, more than the OJT people? I ask that question, Mr. Deputy Speaker. Mr. Deputy Speaker, how much time do I have? [*Crosstalk*]

Mr. Deputy Speaker: You have 15 more minutes.

Hon. Member: Still.

Mr. Singh: Very good, very good. Continue.

Miss Ramdial: Continue, “doh worry with them”, you continue. Go strong.
[*Crosstalk*]

Dr. D. Lee: “Nah, I strong man.”

Mr. Indarsingh: They cannot tolerate the depth of the argument.

Mr. Deputy Speaker: Proceed, proceed, Member of Parliament.

Dr. D. Lee: Thank you, Mr. Deputy Speaker. As I mentioned earlier, as the chairman of MIC Institute, we graduated over 15,000 young men and women with skills so that they can become productive citizens of this country with the tools to becoming entrepreneurs. Mr. Deputy Speaker, where are the proposals in this budget for skills training under this administration? I hope they do not propose to remove GATE from tech/voc education [*Desk thumping*] as this is the necessary tool to ensure those of our citizens, the vulnerable and the poor whom the Minister of Finance professes to care about, this is the vehicle through which those persons who cannot proceed through the academic sector, can receive an alternative education in skills training.

Mr. Deputy Speaker, the impact of this budget on my constituency of Pointe-a-Pierre which, for many years, has been the lifeblood of this economy and which has provided the moneys that the Minister of Finance is now spending—whilst not providing any benefit for the people who had suffered the inconvenience of having some of these industries on their doorstep, Mr. Deputy Speaker. I refer to the people who live on the banks of the Guaracara River, who every day must inhale the toxic fumes and whose health has been jeopardized as a result of the proximity to the refinery. I met many of these people during my campaign who came to me and were pleading for assistance.

Mr. Deyalsingh: “Because McLeod eh do nutten.” [*Crosstalk*]

Dr. D. Lee: Mr. Deputy Speaker, there is a new administration in Government today—[*Interruption*]

Mr. Deputy Speaker: Members, Members, silence please.

Dr. D. Lee:—and will do the needful, I am sure of that. Mr. Deputy Speaker, the Minister needs to advise how we are going to address the plights of the poor and the vulnerable, people who must suffer the pain while those elsewhere enjoy the gains.

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We talk about the diversification of the economy. The Port of Claxton Bay presents tremendous opportunities for the diversification of the economy. For years the Claxton Bay Fisherfolk had been struggling against all odds to make a livelihood in the Gulf of Paria and to expand the fishing economy. In addition, the sheltered nature of the Gulf of Paria presents the ideal opportunity for the development of a maritime industry to be located in the Claxton Bay area which we call, on this side, the blue economy.

Mr. Deputy Speaker, I now would like to spend a little time on the gas subsidy. The Minister of Finance also indicated that he was going to reduce the subsidiary, which he has done, on super gasoline and diesel fuel which immediately hits the pockets of the poor and the vulnerable. I do not think any of my esteemed colleagues here did not notice, at least in passing, the raging debate yesterday that was focused on doubles prices.

Mr. Deputy Speaker, I want you to consider the circumstances of a man who is earning \$5,000 or less in gross salary. That person is a CEPEP worker, is a URP worker, a worker in the retail trade. That person earning less than \$5,000 per month is one of more than 100,000 workers in this economy who are going to be hit with the increase in VAT on these luxury goods, as I call it, “peas and carrots, Kool-aid and cereal”. This is one of the 100,000 plus workers who will have to pay more for gas and diesel or an increase in taxi fare, such as already implemented on the Curepe to Chaguanas taxi stand, who will have an increase in NIS cost also. Mr. Deputy Speaker, is this how the Minister and Member for Diego Martin North/East proposes to deal with the poor and the vulnerable in society?

Mr. Deputy Speaker, I have said much in my debate. I am a man whose contributions get straight to the point. And I want—and in conclusion, as I wind up, during the Minister of Finance presentation and over the years the Minister has presented himself as an expert on all matters of subjects. [*Desk thumping*] And his budget presentation on Monday, he again presented as an expert in economics—the reality is, Mr. Deputy Speaker, on this occasion the hon. Minister has simply been economical with the truth. [*Desk thumping*]

Mr. Deputy Speaker, I thank you.

The Minister of Community Development, Culture and the Arts (Hon. Dr. Nyan Gadsby-Dolly): Mr. Deputy Speaker, I thank you for giving me this opportunity to speak and I would like to congratulate the Member for Pointe-a-Pierre for his maiden speech. [*Desk thumping*] As I rise, I must pay tribute to my constituents, St. Ann’s East, who overwhelmingly gave me the honour to sit in this House. [*Desk thumping and crosstalk*] So as I rise to contribute on this debate, on the national

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budget for the fiscal year 2016, on the theme: “Restoring Confidence and Rebuilding Trust”, I am very humbled to have been tasked with steering the Ministry of Community Development, Culture and the Arts which has the potential to make a fundamental contribution to the national goals of this administration, and indeed towards the nation. [*Desk thumping*]

Mr. Deputy Speaker, we have just come through a long and arduous election period, culminating, of course, in the decisive and convincing victory on September 7 by the People’s National Movement. [*Desk thumping*] We campaigned on the resurgence of good governance, stability, strong leadership in Trinidad and Tobago. We are prepared and ready to govern. The fact that we have been able to produce such an excellent budget in just three weeks is evidence of this indisputable fact. The Minister of Finance and the Minister of Planning must be congratulated.

I want to assure you that we can and we will implement the policies and programmes to create wealth for our people and for this great nation. One of the Members on the other side, it may have been Caroni Central or Tabaquite, referred to the fact that if you speak lies long enough, believing it to be the truth, then after a while it becomes so.

I have heard over the campaign and I am hearing it in this honourable House that the PNM has no plan. Regardless of the fact that we have presented—and on Monday the Hon. Minister detailed a comprehensive budget and a plan to steer this country out of what seem like a dark night of nepotism, wastage, and mismanagement, [*Desk thumping*] and put us in a direction which will kick-start our economy and stymie the leakage of the past Government.

I just want to reassure the Member for Pointe-a-Pierre, that education, skills training and GATE were PNM initiatives. There is no need to worry. [*Desk thumping*] The PNM has been synonymous with education and training in this country, and any attempt to impute otherwise is, as we say in the local parlance, “fast and out of place”. [*Desk thumping*] I stand therefore in full agreement with the plans which outline the policies, initiatives, projects, programmes and measures to ensure that T&T, Trinidad and Tobago, is on the pathway to growth, development and transformation to the benefit of all.

Mr. Deputy Speaker, our vision as the Government of Trinidad and Tobago is to regain our footing on the road to developed nation status, having stumbled badly during the last five years. [*Desk thumping*] I have heard much clarification being asked for by the Members on the other side and I want to reassure them that

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all will be explained. But I noticed that so many questions are being asked and it seems to me that before this time, the Opposition now, when in Government, never asked all these questions. Suddenly, they have all the answers that they should have had in the last five years.

I want, before going on, to acknowledge the leadership and the vision and foresight of our honourable Prime Minister, Dr. Keith Christopher Rowley, in taking the responsibility for selecting young professionals such as myself and many others on this side—[*Interruption*]

Mr. Deyalsingh: Like me. [*Laughter*]

Dr. N. Gadsby-Dolly:—as Members of Parliament and Ministers of Government. I want to assure that he has restored the faith in our youth and their intrinsic value to this country. That is vision, that is foresight and that also is a plan.

Mr. Deputy Speaker, the task of rebuilding this nation has once again fallen unto the PNM. We resolve to develop a society where the integrity and morality in public life is of the highest priority. We are going to ensure that Government serves the public good above all else and ensure that the decisions and the actions taken by the Government are in the best interest of the people. Specifically, we will focus on macroeconomy stability, investor confidence, productivity, international competitiveness, development of the country's manpower resources, improving governance structures, social advancement, significant improvement in the quality of life of all citizens, promotion of community driven economic and business activities and nation building and the restoration of the traditional values of the family and the community.

The last two items I spoke about really speak to the core of the Ministry of Community Development, Culture and the Arts. A key component of the national strategic programme is community development, which allows for the establishment of strong relationships between our administration and communities. Everyone benefits as we partner to implement the projects in communities. A government cannot function effectively in isolation from the people they are elected to serve. In the area of culture and the arts, the focus of this Ministry will be to encourage the development of more artistes and create more jobs in the cultural sector. We will work together to foster a national local enterprise, to identify benefits, such as value creation, income, employment generation, goods and services production, innovation and creativity.

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In this context, the Ministry of Community Development, Culture and the Arts will strive to fulfil its mandate which is to develop and build resilient communities and to create an environment where our culture can flourish in a spirit of understanding, tolerance and harmony.

Mr. Deputy Speaker, it is not by chance that the Ministry concerned with community development has once again been paired with that responsible for culture and the arts. It is a strategic move designed and destined to succeed. If I may say, it was mind-boggling that these critical ministries were separated in the first place, but we are back together again because we are stronger together.

Traditionally—and it has not changed—culture is considered the unifying force of the peoples of Trinidad and Tobago. As we can all testify, at Carnival time every creed and race truly finds an equal place. We all sing in unison: “I am a Trini, a Trini.” Yes, we are all proud Trinbagonians at that time. Culture brings out our national pride like nothing else can, and this is a time where we need national pride like we never needed it before. We must return to a place where nationalism is on the front burner.

The Ministry of Community Development, Culture and the Arts has a special mission, and that is to guard the soul of this nation. As a multicultural society, our ancestors all came here from different lands with their own indigenous culture, their disparate ways of life. Over the years we have maintained our individuality but have forged a unique culture that is distinctly Trinbagonian. That is what we must guard. We cannot, as a people, focus on the separation of our cultures and expect to bind together as a nation. Our history has proven this. We must be of one mind and that mind must be focused on our contribution to our communities and this nation, not the one from which our ancestors originated.

Dr. Eric Williams, father and crafter of this nation, understood this synergy between community development and culture. He saw very clearly that the development of communities was a critical aspect of national development and that culture was the vehicle to achieving that objective. It is out of this visionary line of thinking that Best Village was born 52 years ago and still going strong.

Mr. Deputy Speaker, the Ministry of Community Development, Culture and the Arts is one that has traditionally catered to the development of individuals within communities, the strengthening of the community spirit, the preservation of our cultural and historical legacy, the nurturing of national pride, the upliftment of the arts and the incubation of new artistes.

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While this approach is good and has served us well over the years and will continue to serve us, under this administration we are going one step further. We intend to see the transformation of the cultural sector into an economic growth zone, fostering productivity and employment generation. Thus, as we invest in communities and in culture, we will focus on the opportunities that lie before us to diversify our economy.

Due to constraints of time I will focus next on explaining how the Ministry will chart its way forward with its major projects and programmes. Mr. Deputy Speaker, a very important task overseen by the Ministry is the building and refurbishment of community centres which serve as a hub for community activity, training, cultural events and disaster shelters for the ODPM. Every community embraces, and I dare say, lobbies, for the opportunity to have a community centre as a means of growing and refining the raw talent abundant in our communities.

In 2006, a PNM administration initiated a programme to build and refurbish 172 centres by 2015. Four years later, by May 2010, 52 centres were under construction or refurbishment. During the last five years of the past administration, however, work only started on 24 additional centres. Instead of focusing on increasing the rate of delivery, a parallel project began: the building of festival centres with functions very similar to that of a community centre. What that created was a situation where some communities had both community centre and festival centre and some communities had nothing at all.

What was even more bizarre was that the design of community centres was altered. One design was used which was more than adequate for the use of any community-based cultural group. So why the need for festival centres? Some have icing on their cake while some have no cake at all. This administration will revert to the core purpose, focusing our attention on increasing the rate of construction of centres to the benefit of all communities.

The Ministry of Community Development, Culture and the Arts will focus first on the commissioning of the five completed centres in Bamboo Grove, No. 3; Beetham Gardens; Gasparillo, Santa Cruz; North Manzanilla; Palo Seco Settlement. We will complete those 17 centres which are at an advanced stage of construction, some for as long as five and 10 years.

Hon. Member: Barataria.

Hon. Dr. N. Gadsby-Dolly: I am told that there was a discrepancy in the centres that were stopped over the last five years. Some have been left to suffer. I want to reassure them that change has come.

Along with delivering centres to those communities in need of them, this administration will ensure that proper management structures and policies are in place for the use, maintenance and sustainability of these buildings and, of course, for their security. A substantial investment of \$60 million over fiscal 2016 is allocated for these community centres. We cannot continue to rely on ad hoc arrangements for their administration.

Image that in some communities after September 07, 2015, we had reports of political spite being exercised with respect to the use of these centres which were built for all citizens. That must be stopped and we will stop it. Political agendas have no place obstructing community engagement and national development. That is what good governance entails, whether at the community level or in the Parliament. The fruits of the country belong to all of us. [*Desk thumping*]

Hon. Member: Yeah, yeah, yeah, yeah.

Hon. Dr. N. Gadsby-Dolly: Mr. Deputy Speaker, I would now like to address the role of the Ministry of Community Development, Culture and the Arts in providing funding for community, national and religious plans, functions, programmes and initiatives. The Government of Trinidad and Tobago supports and partners with both individuals and organizations which seek to promote culture, alleviate poverty within communities and contribute to community development and nation-building. This, in no small way, contributes to the rich and diverse cultural environment which we had developed throughout our 53 years as an independent nation.

One such programme is a Community Action for Revival and Empowerment (CARE) which provides priority funding for human development activities. It is a critical community intervention strategy which focuses on interaction, community cohesiveness and employment generation. Hundreds of disadvantaged community groups have benefitted from this initiative to the benefit of their communities. Four point eight million dollars has been allocated for this purpose in fiscal 2016.

Mr. Deputy Speaker, there is also the Community Development Fund, the main objectives of which are to alleviate poverty in the poorest communities and to assist with strengthening the institutional capacity of non-governmental and community-based organizations. The focus of the Community Development Fund is to continue to assist in the delivery of social services and infrastructure to low income and most disadvantaged sections of the population, using NGOs and CBOs.

These objectives are achieved through programmes which provide one-off and seed funding, as well as small grants, funding for projects aimed at reducing

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poverty, funds to assist with partnership, with private or public sector agencies and funds for special initiatives of a religious, social or cultural nature.

Also provided for is the institutional strengthening and capacity-building of community organizations and agencies involved in poverty alleviation. The component programmes of the CDF are the Basket of Funding Programme, the Community Enhancement and Regeneration Programme, the Organizational Development Programme and the Community Volunteer and Apprenticeship Programme.

Mr. Deputy Speaker, the Ministry of Community Development, Culture and the Arts also provides funding for national and community cultural events along with religious holidays and celebrations. This stems from the desire to harness our people's rich diversity while forging a national identity. This Ministry is an advocate for the promotion of patriotism, nationalism and inclusion. In addition, in support of the arts, performing spaces are also maintained, refurbished where necessary, constructed, so that there is adequate provision made for our artistes to showcase their expertise and hone their craft while providing rich, cultural experiences for the benefit of the wider public.

When we consider the total estimated allocation to the Ministry for fiscal 2016—\$611,793,326—approximately \$405 million, or 66 per cent, is allocated for transfers which support human development within our communities, promote development of the creative arts, preserve our cultural heritage and support our country's culture. That is a significant amount.

And under these circumstances, it is critical that a strong policy for grants and subventions is developed for the guidance of the entire ministry, adopted and adhered to. This will provide for effective and efficient administration of projects and it will increase the level of accountability and transparency, along with the sense of fair play associated with the grants project.

Mr. Deputy Speaker, it has come to my attention that under the tenure of the previous administration no such policy was approved nor generally adhered to. The situation existed where a Minister wielded ultimate control over disbursement of public money and when one examines the pattern of funding approved at that time, it makes the case for accountability even stronger.

I will give a quick example. In fiscal 2015, for one particular event—one event—this country foot the bill for the participation of just four artistes in a foreign music festival, to the tune of more than \$800,000.

Hon. Member: Wow!

Mr. Imbert: Eh? Serious?

Hon. Dr. N. Gadsby-Dolly: Yes.

Hon. Member: Call name, call name.

Hon. Dr. N. Gadsby-Dolly: In 2014, a private promotions company—a private enterprise—received assistance for their events, of over \$1 million taxpayers' dollars.

Hon. Member: What? Ooooh!

Hon. Dr. N. Gadsby-Dolly: In fact, due to the unstructured pattern of funding in fiscal 2015, by February, just five months into the financial year, approximately \$30 million was exhausted. No further funding was available from the then Ministry of the Arts and Multiculturalism—no process, no accountability. Some were of the view that the Government's position had moved away from extending support for culture to the encouragement of dependency.

The development of, and adherence to a grants policy, Mr. Deputy Speaker, is critical and urgent. We cannot afford the haemorrhage of taxpayers' money to ever happen again in this way.

6.30 p.m.

Mr. Deputy Speaker, I now turn to a flagship programme, the longest running in the Ministry. This is the Prime Minister's Best Village Trophy competition. This is an annual developmental programme with a competitive element. Its overall purpose is to discover and develop latent talent and preserve the cultural traditions of our communities. This programme provides an opportunity for communities to develop a sense of self-worth and national pride, and to build community spirit and cohesion through healthy competition and social interactions.

This programme includes village Olympics, clean and beautify, handicraft, La Reine Rive which is probably the best known aspect of it, folk theatre, folk presentation, village chat and traditions of Carnival. There is also an opportunity for children to participate in the junior best village programme which operates during the vacation period and gives our young people an option for their hands other than idleness because, as you say in local parlance, "idle hands are the devil's workshop".

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Mr. Deputy Speaker, it is with regret that I note that the junior best village did not take place during fiscal 2015 due to a lack of funding. Strange that money was found for so many different things, unnecessary things, but the youth were made to suffer for that. It is the intention of this Ministry to remedy this in fiscal 2016. Every opportunity must be taken to engage our youths in nation-building and worthwhile activities. It is a critical investment. As we say in this nation, prevention is better than cure, and I dare say it is cheaper too.

In fiscal 2016, the Ministry also proposes to establish a folk art museum for the Prime Minister's Best Village Trophy Competition for the collection, storage and management of archival materials, information and objects dating from 1963 which was the onset of this programme. [*Desk thumping*]

Mr. Deputy Speaker, I now turn to the programme, music schools in the community, a programme which, like the Prime Minister's Best Village Trophy Competition, encapsulates the theme of community development through culture and the arts. Napoleon has been quoted to say: "Give me control over he who shapes the music of a nation, and I care not who makes the laws". The overarching vision of the music schools in the community programme is to transform the lives of our youth through music education. This will see pan yards, existing music schools, correctional facilities, children's homes, youth clubs, youth camps, community centres and secondary schools being used to conduct free training of all students, who care to attend, in music literacy.

The national instrument, a mix of wind, string and percussion instruments and voice. One does not have to look very far to observe that a properly structured national music education system does more than just teach children how to play an instrument. In Venezuela, there is a success story of the transformative effect of their Sistema that sees 300,000 Venezuelan children involved at any one time in music education, and many stories have been told of how it has saved them from a life of delinquency and crime. In fact, that system has been replicated around the world including the United States of America, Scotland, England and Portugal.

Presently, there are nine music schools throughout Trinidad, in the music schools in the community programme. Those schools are located in Arouca, Tacarigua, St. James, Malick, Couva, Cunupia, Sangre Grande, San Fernando and Belmont. This programme has already been observed to have a transformational effect on the young participants and their families. Studies are presently being done to document this. The Ministry intends to increase the number of communities which will benefit from this initiative from nine to 20 in fiscal 2016, at a cost of \$9 million. [*Desk thumping*]

Mr. Deputy Speaker, permit me to discuss the way forward for Carnival, the greatest show on earth. Our Carnival is one of the country's signature events. It spans culture, art, music and tourism. Carnival has immense value, both culturally and financially. Mr. Deputy Speaker, I submit that the time has come to move away from the Carnival as a bacchanal mentality with respect to its organization and financial aspects. We must move to a mentality of inclusion where families can participate, and the festival is opened up for the enjoyment and participation by a greater cross section of the community.

We need to look at more public/private partnerships and consistent revenue generation so that this becomes the norm rather than the exception. Mr. Deputy Speaker, there are examples of festivals throughout the world which mirror or originated from the Trinidad and Tobago Carnival that provide consistent revenue for their countries. According to the London Development Agency, Notting Hill Carnival contributes up to £93 million, approximately TT \$930 million to the city's coffers every year, and provides permanent employment for 3,000 persons, demonstrating that Carnival can be a viable, positive revenue earner. It is without doubt that Carnival is an important social and cultural event which continues to gain regional and indeed international significance. We need to maximize on the economic potential of Carnival to local economies and businesses.

In doing so, we have to face certain challenges. There are issues about the flow of masqueraders for the parade of bands on Carnival Tuesday; there are issues about the replication of the savannah stage experience in different localities, so that the introduction of alternative routes can be accepted; there are issues about the infrastructure, how can you work together to ensure that Carnival has a suitable, workable and proud home. These are just snapshots of the issues that the Ministry, along with stakeholders, would attempt to address in fiscal 2016.

There are many other projects under the Ministry of Community Development, Culture and the Arts, but time does not permit us to discuss those. So at this time, Mr. Deputy Speaker, I would like to address the effect of the budget so excellently presented and conceptualized on my constituents of St. Ann's East. The programmes outlined in the 2016 budget motivate me as I am certain they will contribute to the rebuilding, restoration and the development of all the constituencies in the country, and St. Ann's East in particular. My constituents have felt the full brunt of discrimination, waste and inequality of the last five years, particularly in the allocation of resources. In short, it seems that the people were neglected because they did not support the Government in power. It is with hope and anticipation that the constituents of St. Ann's East look forward to equality, fair distribution of resources and the end of nepotism and cronyism.

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Mr. Deputy Speaker, the previous administration bandied and boasted about water for all like a badge of honour, and yet at the same time St. Ann's East suffered with an irregular and inconsistent water supply that they had never experienced before. I can safely say that water for all was really and truly water for some, and it was not the areas of Maracas Valley, La Pastora, Sou Sou Lands, Old Road, La Canoa. These residents can bear me out on that. Residents left with dry taps for days on end, having to resort to truck borne water as their main supply through no fault of their own. The time has come to rebuild and restore trust and confidence in the provision of water supply to all communities.

Mr. Deputy Speaker, in addition to that situation, there has been a clear breach of procedure and broken promises with respect to the past CEPEP and URP Programmes. Our experience in St. Ann's East has been ghost gangs, rampant criminality, resulting in the neglect of the services necessary to the community, the services which we all deserve. This level of disrespect, disservice and waste must come to an end. We want box drains too, we want our roads maintained and our environment beautified.

Mr. Deputy Speaker, I want to say that the constituents of St. Ann's East look forward to the restoration of the Maracas Bay facility. I am heartened to see that we have been allocated money for that under this budget. We look forward to the agriculture being restored in our community, and we look forward to the Young Professionals in Agricultural Development and Mentoring Programme which will help our young farmers in Quarry Road, Febeau Village, and La Pastora to be able to take advantage of their agricultural tendencies. Emerging farmers also look forward to the exemption package offered which will go a long way in aiding the success of their endeavours.

We look forward to the skills development. Funds have been allocated for MIC, NESC, and YTEPP. Under Community Development, as well, we have skills training. We look forward for our constituents to make maximum use of these programmes to enhance the training of our young people. We look forward to the Gate Keepers Project which will take a proactive approach to curbing negative behaviours of the young males in our community.

Mr. Deputy Speaker, our seniors in St. Ann's East look forward to the reduction in VAT and to the increase in the cap on joint incomes. A significant proportion of them will finally receive the extra allocation promised to them, and so cavalierly brushed aside by the past administration. Mr. Deputy Speaker, our young graduates say thank you for recognizing their plights and offering relief in the salaries of the OJT programme, [*Desk thumping*] and they look forward to

further opportunities to gain experience in the graduate/recruitment programme. Our youth look forward to the boost in arts and culture in their communities. They also say, thank you. This is truly a budget of hope at a time where we need it the most and the constituents of St. Ann's East are grateful.

Mr. Deputy Speaker, this is a critical time in the history of our country based on the position in which we have been left by the previous administration. No matter how they deny it they did not fool us, and on September 07 they did not fool the country and they are not fooling us now. [*Desk thumping*] The people have spoken and have categorically chosen this Government, the PNM Government, to assist in charting the way forward.

I want to thank the Prime Minister, Dr. Keith Rowley, and the people of Trinidad and Tobago for the opportunity to serve. The road ahead will be challenging, but with faith in God, patience and humility, together we can restore confidence and rebuild trust. We will do this together.

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

Mr. Deputy Speaker: I recognize the Member for Couva North. Proceed. [*Desk thumping*]

Miss Ramona Ramdial (*Couva North*): Thank you very much, Mr. Deputy Speaker. Let me take this opportunity to congratulate you, Mr. Deputy Speaker, the new Government and my colleagues on the Opposition Bench also. Let me also take this opportunity to congratulate the Minister of Finance on trying his best in his first budget presentation. However, on September 07, the population bought into the PNM campaign of lies, scandal and propaganda, aided and abetted by Jack Warner and JTUM.

6.45 p.m.

Today, Mr. Deputy Speaker, we see Jack Warner, a white collar criminal wanted by the FBI—[*Interruption*] on charges of money—[*Continuous interruption*] Mr. Deputy Speaker, I crave your protection.

Mr. Deputy Speaker: Members, please give the Member of Parliament the opportunity. Proceed.

Miss R. Ramdial: Thank you, Mr. Deputy Speaker. Today, we see that same white collar criminal wanted by the FBI on charges of money laundering and wire transfer fraud addressing the TTUTA teachers' conference today in Port of Spain. What messages are we sending to the youths of our nation? That it is okay for a Government to protect wanted criminals? Our new Minister of Education was a former TTUTA—

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[MADAM SPEAKER *in the Chair*]

Welcome, Madam Speaker. Our Minister of Education was a former TTUTA President himself, and I would like to know what his views are on this. And whilst we wait on our Attorney General with bated breath on the evolving saga on the extradition of Jack Warner, on the other hand, we see NATUC and JTUM given \$15 million by this PNM Government as hush money. [*Desk thumping*]

Now we are hearing that they will not take it; JTUM will not take it because since the announcement was made in the budget, workers across this country are asking why. Some are saying JTUM is not even an official registered trade union body; that it is a splinter group, so why give them millions? [*Desk thumping*]

Madam Speaker, the MP for Laventille West spoke about corruption and inflated contracts under the People's Partnership Government, but let me remind this Parliament that it is the PNM that invented corruption in this country, [*Desk thumping*] from the days of O'Halloran to Calder Hart and God knows what else we are going to expect in this term.

Madam Speaker, the state of the economy under the People's Partnership tenure from 2010-2015 spoke about stability and growth. We stabilized the economy between 2010 to 2012 and saw economic growth from 2012 to 2014. By 2014, we had real GDP growth by 0.9 per cent, according to CSO and the Central Bank of Trinidad and Tobago. By 2014, real GDP growth in the non-energy sector by 2.7 per cent; the gross official reserves was at US \$11.3 billion; foreign direct investment was at US \$1.3 billion and the Heritage and Stabilization Fund at US \$5 billion.

However, Madam Speaker, it is really a shame to come here and listen to the other side saying that we squandered \$400 billion during our tenure when it was really \$290 billion. [*Desk thumping*] Another—[*Interruption*] No, no, no—[*Continuous interruption*]

Madam Speaker: I am on my legs, please. Member for Couva North.

Miss R. Ramdial: Thank you, Madam Speaker. Let me continue by saying, the PP Government expended \$290 billion during our tenure and not the \$400 billion that the PNM Government is claiming. This is another scandal and propaganda that came during their campaigns and this is something that we need to correct.

In addition to that, this new PNM Government would have started with \$13 billion in cash flows according to our former Minister Howai: \$3.8 billion from TGU; \$1.5 billion from Phoenix Gas IPO; \$500 million from NGC; \$6 billion from normal

quarterly taxes and \$1 billion from a TT dollar loan. So, Madam Speaker, this deceptive budget that the Minister of Finance read and talked about, skewing figures and numbers and all of that, it is they who have skewed the figures and the numbers in this 2015/2016 budget. [*Desk thumping*]

The Minister of Finance has predicated this budget on US \$45 per barrel and predicts the deficit as \$1.8 billion based on his assumption that these one-off revenue generating measures will generate \$19 billion. Economist Indera Sagewan-Alli has described the real deficit as \$21 billion; the difference between the expenditure of \$63 billion and revenue, \$41 billion. She said there was no guarantee that Government will generate the intended revenue and therefore, in his wrap-up, the Minister of Finance needs to respond to the population on these matters.

Let us move to transport a little bit, where the biggest plan of this Government is to reintroduce the rapid rail. They can call it a light rail or a mass transit system, we know that it is our current finance Minister who was then the Minister of Works who spent \$500 million on a feasibility study which yielded nothing, but anger and ire from the population in 2009. Now they have come back with the same plan, different name at the cost of \$10 billion.

Financing will come from the IDB but everyone knows that this is a long and tedious process, and will take at least two years to process. We are also seeing on media that different stakeholders are asking for more consultations, and I make reference to the President of the Maxi-Taxi Association, Eon Hewitt, who believes the rail will have a negative impact on industry. And I make reference to the *Guardian* article, Madam Speaker, where he said that:

“This was introduced to us seven years ago and our position still stands. We have bought a lot of new vehicles and if this would come it would have a negative impact on us...”

When the Government now was in Opposition then they reached out to us. Now that they are in Government let us see if they would reach out to us again and have proper dialogue...”

So, no consultation was done and of course, we have our Minister of Finance coming back with this plan for the rapid rail.

In addition to that, Madam Speaker, I want to quote from an article published on Sunday, October 14, 2012:

“Rowley wrong on the rapid rail”

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And interestingly enough, the Member of Parliament for La Horquetta/Talparo was the writer of this article disagreeing with his leader on the rapid rail. I just want to call that date again: Sunday, October 14, 2012, *Guardian* article:

“Rowley wrong on rapid rail”

Hon. Member: Who said that?

Miss R. Ramdial: And he continues—the Member of Parliament for La Horquetta/Talparo. Our Minister of Communications’ view at that time and I quote:

“...the Rapid Rail project is a costly and flawed engineering solution to an economic problem that the Opposition Leader should reconsider.”

And he was referring, at that time, to Dr. Rowley. He went further on to dispute that the then Opposition Leader Rowley saying there were two problems with the \$500 million feasibility study that was done by our current Minister of Finance.

“...it was conducted”—during—“the height of the gas boom, where both...our level of revenue which sustained it were unsustainable, and...not likely to be repeated in the near future.”

And secondly—

“...the feasibility study was done at a time when”—Trinidad and Tobago—“enjoyed a fuel subsidy which would have distorted the transportation demands.”

He went on to say that:

“Both the Association of Professional Engineers and the”—TTMA—“voiced strong objection to the rapid-rail project on technical...grounds.”

Madam Speaker: Continue.

Miss R. Ramdial: Thank you, Madam Speaker. I will repeat that. He went on to say that:

“Both the Association of Professional Engineers and...”—TTMA—“voiced strong objection to the rapid-rail project on technical...grounds.

Much of the opposition to the Rapid Rail was a result of the PNM’s ignoring this approach and shoving it down the nation’s throat as a done deal...”

—and he was referring to consultations.

And today, I want to ask the Member of Parliament for La Horquetta/Talparo: is your stance the same? Have you changed? Should they go back out for consultations as you reiterated in your article in 2012? Should we go back out for consultation? Should we consider the new cost of this rapid rail? So I would really like to hear the Member of Parliament for La Horquetta/Talparo respond in his contribution.

As we move on, Madam Speaker, crime, and I want to talk a little bit about crime. “A September to remember”, that is what everybody is dubbing it, “a September to remember”. And coming out of the elections, there has been a sharp spike in murders with 50 or more to date. The Minister of National Security in one of his media interviews first confirmed a spike in kidnappings and then the day after, reneged on that statement. Is it that we have a Minister who is unaware? What are the recommendations of the National Security Council on curbing the spike in crime? How are you going to utilize the \$10.8 billion in the budget allocated to you? We wait to listen to the new initiatives of the PNM Government’s crime plan.

Madam Speaker, in my constituency of Couva North and by extension, in central, there has been an increase in crime. I have made two public appeals for an increase in mobile police patrols and for a greater police presence in the central area and of course, in the respective constituencies. And it is just not in the central area, it is across Trinidad and Tobago where we are seeing a spike in crime and therefore, I call on the Minister of National Security to explain to us how the \$10.8 billion, of which I understand most is recurrent expenditure, is going to be utilized to fight crime in our country. What is the crime plan of your Government, Sir? And of course, we wait to hear.

I want to talk a little about local Government and in this budget of 2015/2016, on page 20 of the Minister’s presentation, this PNM Government in its crime plan is going to establish relationships with the regional corporations and the Trinidad and Tobago Police Service. Well, looking at this, it looks at the structure of the regional corporations, the municipal police plays a major role at the corporations and are governed by the Municipal Corporations Act, Chap. 25:20. By section 48(1) of the Act, the municipal police is established and their powers are set out at section 53 of the same Act. These powers allow for the municipal police to carry out all functions that are similar to that of officers attached to the police service.

However, from this budget statement, was consultation done within the TTPS and the municipal police? Also, is the Minister aware that the municipal police are grossly understaffed and some of the officers, even SRPs are on contracts? I

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would like to recommend to the Government that the municipal police should be increased with personnel and also increased with fleet vehicles.

Madam Speaker, also with the establishment of the “constabularies” who will have—*[Interruption]*

Mr. Deyalsingh: Constabularies.

Miss R. Ramdial: Constabularies, thank you—who will have the jurisdiction? Will this be seen as a joint effort? The Minister did not explain this so we look forward to that.

Keeping with local government and now it is called Rural Development and Local Government, I cannot really understand the reason for this merger, but we will wait to hear from the Minister. The allocation given to this Ministry is \$2.272 billion. How is this allocation going to be disbursed to the respective corporations equally? Also, are we going to go back to the days where the corporations that are not PNM received less funding as compared to the PNM corporations? The PNM has a great track record of this and from page 26 of the budget statement, there is no indication of who gets what.

In addition to that, Madam Speaker, I call on this Government to equally dispense the moneys to all regional corporations. Also, to compare local government with that of the Tobago House of Assembly is nothing short of a joke in the comparison and the allocations. After all, was it not what the PNM wants, the PNM gets? It is quite clear to see that the PNM truly has no plan for local government and they have no plan for the entire country.

Let us move on to food production a little bit. Food production, under the People’s Partnership Government, we saw initiatives being done by agencies under the Ministry of Food Production that were succeeding. We saw, of course, the rise in the cocoa and coffee industry in moving forward with creating our own locally made chocolates. We saw the pushing of the tilapia industry and even the shrimp industry. The reasons for these accomplishments were because of the budgetary allocation in 2014/2015 which was \$1.3 billion. However, in this budget, we see a mere \$833 million being allocated to the Ministry of Agriculture, Land and Fisheries. How can the PNM say that they care about agriculture in this country when they give so little? The question to ask is whether or not the agencies will be able to carry out their mandates with such little funding.

Madam Speaker, we all know that the vehicles utilized by farmers in the agricultural industry are fuelled by diesel gas and with the increase in diesel that this Government has initiated, they are going to have to pay more at the pumps and

therefore, what does that say? It says to us that the price of the products and the cultivation of the crops by these farmers are also going to increase and by extension, the general cost of food prices will go up and of course, the cost of living.

As I continue, I want to move on to the environment a little bit and speak about that, and having served as Minister of State in the Ministry of the Environment and Water Resources for the past three years, I must say that it is a shame to see the dismantling of the Ministry of the Environment and Water Resources. [*Desk thumping*] It is really a shame. In every First World country, we see a Ministry of the Environment and Water Resources: New Zealand, the UK, the US—well not the US—and other countries, we see a Ministry of the Environment and Water Resources. Today, what do we say to all of the environmentalists out there? That we do not care for the environment? We do not care about the preservation and conservation of our environment in creating an enabling environment? What is happening here?

Under our tenure, Madam Speaker, in the Ministry of the Environment and Water Resources, we were able to have the population experience, from 18 per cent in 2010 to 75 per cent, a pipe-borne water supply throughout the country. All right and we have the facts to show that. It is on the *Hansard*; we have been saying it year after year and it is there.

In 2010, WASA estimated the deficit in supply compared to demand to be approximately 38 million gallons daily. This, together with the shortcomings in the production transmission and distribution systems, resulted in extensive scheduling of the pipe-borne water supply. With respect to waste water, 30 per cent of the population had access to centralized collection and treatment systems. The improvement in the service levels in water and waste water required a concerted effort of a wide range of projects aimed at upgrading different components of the infrastructure. In the area of potable water delivery, these included source development, installation of pipelines and the construction of booster pump stations and storage reservoirs.

With respect to waste water, work was undertaken to rehabilitate the infrastructure at the smaller discrete systems while major works were initiated to integrating existing collection systems into an expanded network in critical catchments of Maloney, Malabar and San Fernando. Maloney and Malabar, is that not PNM constituencies? Yes? Under our tenure, we have seen equitable distribution of resources under all of our Ministries. Equitable distribution of resources. [*Desk thumping and crosstalk*] Madam Speaker, they could say what they want. We know what we have done. The records and the evidence is there to prove and of course, it is there.

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Madam Speaker, in 2013/2014, completion of the construction of the desalination plant at Point Fortin on a build/own/operate basis which is now in operation with production of 4.6 million gallons. At that point in time, we were drilling eight wells across the country from Louis D'Or, Scott Farm, St. Clair, Point Fortin, Queen's Park Savannah, Maraval and Santa Cruz with expected increase in production capacity to 1.5 million. To date, the Louis D'Or and Scott Farm wells have been completed with a production of 0.5 million gallons. The expansion of the Point Lisas desalination plant was in progress and that was also completed under our tenure to have an additional 10 million gallons of water. [Desk thumping] With the completion of these projects, the deficit in supply is estimated to be approximately 17 million gallons, and to improve the reliability of operation at the existing facilities, rehabilitation works were completed at the treatment plants located at Las Lomas, Point Fortin, Penal and other areas.

There were works that we implemented at the Navet, North Oropouche, Hollis, Courland and Richmond Water Treatment Plants and of course, we completed the transmission pipelines of the Navet Trunk Main in south east Trinidad which was replaced. Consistent with this approach, the old Hollis Trunk Main has been replaced between Valencia and Port of Spain. This has resulted in an improved level of service being experienced by customers along the East-West Corridor. Works of a similar nature on a smaller scale are currently in progress to improve transmission at Bloody Bay to Englishman's Bay in Tobago. Work has also been undertaken on the authority's localized pipeline systems with a number of key projects across Trinidad and Tobago.

For the first fiscal 2014, new pipeline projects were completed, benefiting approximately 1,300 persons who are receiving pipe-borne water supply for the first time in New Grant, St. Charles Village, Princes Town, Barrackpore, Debe, Palmiste, San Pedro, Gran Couva, Claxton Bay, Gasparillo, Sangre Grande and Valencia. To increase system storage, a new storage tank was constructed in Mayaro with work scheduled to commence at 12 other locations. Rehabilitation of the San Fernando booster pump station was completed to improve the reliability of supply to the City of San Fernando and south-west Trinidad collectively. All programmes involving pipeline installation comprised of 351 projects with 287.2 kilometres of pipe being installed, benefiting over 600,000 persons. The result of this was the segment of the population receiving a 24/7 service increase to 63 per cent.

With respect to waste water, Madam Speaker, under our tenure, we were able to expand on the collection and treatment facilities having been initiated through the IDB, including the integration of eight waste water systems in Maloney; integration of two waste water systems in Cunupia; expansion of collection systems and

treatment facilities at Malabar and San Fernando. Rehabilitation of the Scarborough waste water treatment plant and connection of 215 properties to the collection system under the CREW Fund, collective funding has been secured to the value of US \$278 million.

Madam Speaker, US \$246 million of this represents the first component of a multiphase loan of US \$546 million to undertake works at Malabar and San Fernando. Planning is well advanced and physical work is scheduled to commence by September 2014 which, of course, started and it is a work in progress. Madam Speaker, we also rehabilitated and extended the sewer system in south-west Tobago with treatment to, and effected waste stabilization ponds at Bon Accord and Samaan Grove, and design works have been completed and we hope that this PNM Government will continue with that good work in Tobago.

In addition, steps have been initiated to address some of the chronic problems being experienced in the collection and treatment systems. Installation of new sewers along the Vistabella River in San Fernando was completed with work ongoing for the rehabilitation of a number of waste water treatment plants at Maracas, St. Joseph, Santa Cruz, Arima, Edinburgh 500 and San Fernando to improve the effluent quality and reduce the impact on the environment.

To date, there are 12 registered potential adopters and seven watersheds under the Adopt a River Programme. They have been adopted at Guanapo, Arima, Courland, Caura, Tumpuna, Matelot and Caparo. To be more accessible to its customers, the authority opened two new customer service centres at Trincity and in Sangre Grande facilitating payment and rates and a provision of information on enquiries on water supply.

Madam Speaker, when I speak in detail about all of the work done under the Ministry of the Environment and Water Resources, it is all about letting the new Government know how the money was spent during our tenure. And coming here and sitting and saying waste and mismanagement and squandermania, this is the evidence. This is what we have done under this one Ministry. Can you imagine when you hear the rest of my colleagues speak, we are going to be able to account for every single penny spent. So we are not going to buy-in and I urge the public to not buy-in into their propaganda and scandals.

Madam Speaker, to promote water conservation and preservation, the authority has gone on to engage secondary schools and of course, we have national quiz competitions that have been running over the years and we hope that

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the new Government will continue, and our Minister of Public Utilities will continue this initiative. So this is where we are engaging our young people from an early age and teaching them about conservation and preservation.

During fiscal 2014/2015, WASA continued its drive in delivering water for all and water security. The most significant project in this regard is the dueling of the Caroni South Trunk Main between the Caroni waste treatment plant and Couva. The project entails the installation of a parallel trunk main along the route replacing the old Hollis Trunk Main. It will achieve reducing the level of leakage compared to what was experienced previously while also providing a degree of redundancy of supply to customers in central and south Trinidad.

Construction works to commence at Savonetta booster pump station to pump water to south Trinidad from additional supplies to be made available with the completion of the Beetham Water Reuse Plant project. Additionally, the installation of storage tanks will continue at a number of locations including Chaguaramas, Diego Martin, Arouca, Bloody Bay, Charlotteville, Santa Cruz, Claxton Bay and La Fillette. These works will complement continued upgrade and expansion of the pipeline system proposed to be done in a number of communities, including Mamoral, Guayaguayare, Tableland, Buccoo, Fort Reservoir and Freeport. Waste water physical work has also started and was ongoing under our tenure at Maloney, Malabar, San Fernando and south-west Tobago.

So, Madam Speaker, these are just some of the projects under water and WASA under the now dismantled Ministry of the Environment and Water Resources where we had all of this work going on. Again, I make the appeal to the new Minister of Public Utilities to please continue these projects in the best interest of the people of Trinidad and Tobago. [*Desk thumping*]

Madam Speaker, I move on also now to gender and to speak a little bit—another shame that the Ministry of Gender, Youth and Child Development was dismantled under this new Government. It does not say much for the population of Trinidad and Tobago where before, you had a Ministry that “seeked” to take care of our people—[*Interruption*]

Mr. Deyalsingh: Sought, sought to take care.

Miss R. Ramdial: Sorry—sought to take care of our people by, of course, introducing new legislation, creating structure, projects, programmes and systems that would, of course, see our people improve. Gender was eliminated from this budget. No mention of gender or women in the Minister’s speech. None at all.

With the exclusion of the Ministry of Gender, Youth and Child Development, how can there really be a focus on gender issues? Gender inequality issues are still at large, including the inequality in women's wages, the high incidents of poverty among women-headed households, domestic violence, sexual harassment, high rates of maternal mortality and infant mortality. I myself had the opportunity of serving for a year under the Ministry of Gender, Youth and Child Development and we were proud of our work in bringing the children legislation, and that package that saw now the Children's Authority up and running, and for that, I would like to thank the People's Partnership Government, [*Desk thumping*] taking care of our own.

7.15 p.m.

Madam Speaker, this budget also hinted at going back, or not "hinted", but we were, of course, monitoring the media and, of course, heard that this PNM Government probably has a plan to go back to the 2009 draft of the gender policy. And according to Hazel Brown, that 2009 draft of the gender policy is the worst draft ever to be introduced to the population. And, therefore, I make a call on wherever this unit now is—under which Ministry is it, gender?—Family Services, Ministry of the people. Member of Parliament for Lopinot/Bon Air West, really, we call for the gender policy of 2012 to be laid and accepted. So let us see what is going to happen with this gender policy.

The cost of living for women will go up, Madam Speaker, because of the fuel prices, property tax and even grocery items, as VAT, even though decreased to 12.5 per cent, the pool of zero-rated items may decrease so people may have to pay the 12.5 per cent more on some of the items.

Madam Speaker, we did not hear anything about the laptop initiative, so I am assuming the Minister of Education will talk on that, the Baby Care Grant, the Children's Life Fund, the children's hospital; no mention of these in the budget, and these are all measures and projects and programmes that seek to take care of our people and our population.

Madam Speaker, when we look at tourism—and I want to talk a little bit about tourism. Tourism is very, very important, and in hearing the new Government speak about diversification of the economy, I was heartened to hear the Minister talk about tourism and sport tourism. However, after the budget was read:

“The Chamber of Industry and Commerce's Tobago Division chair Diana Haddad says that the cost of doing business has increased once again.

Appropriation Bill, 2015
[MISS RAMDIAL]

Friday, October 09, 2015

Speaking at a media briefing at the Chamber's office...just after Finance Minister...presented the"—budget,—“Haddad said the business sector was ‘not too comfortable’ with the budget.

‘The cost of living will rise as there are increases to the business levy, Green Fund and National Insurance,’...

Employers contribute two-thirds to the National Insurance System... while employees pay one-third.

Calling the Appropriation Bill ‘a partial budget with a 6-month review ...and one which laid the foundation for what they could expect,’ the Chamber head said the decrease in the Value Added Tax to 12.5 percent would create a cash flow problem for businesses.”

[Desk thumping]

We want to hear how the Government is going to deal with this cash flow problem.

“She explained, ‘Two years ago businesses experienced a cash flow problem after the Inland Revenue did not repay them for goods which became VAT-exempt after they were purchased by the business sector and remained in their warehouses.’

Haddad said this will reoccur with the reduction of VAT to 12.5 percent.”

She also went on to say:

“‘Whilst’—the Government is—“‘introducing the Revenue Authority and want to be more efficient with collecting taxes, I am not sure how efficient (they) are in repaying refunds and rebates to the private sector...’”

And I am sure that the Minister of Finance will speak on that.

“Dealing with the issue of the overall budgeted sum of \$2.7 billion to Tobago, she expressed displeasure with the absence of information on the Government's plans to tackle the problems of labour and productivity. These she referred to as private sector concerns.

In mentioning the sums allocated to recurrent expenditure and capital development, Haddad remarked that they were similar to what Tobago was given before and as such the figures showed that ‘not much emphasis was placed on the development of the human capital and moving people forward.’

She also “pointed out that although the amount was important, ‘what was done with the money was more important.’

Haddad felt, however, all was not lost as ‘things sounded good in the budget’...”

So we are yet to see what emanates out of the funding for the THA and the plans for tourism in Tobago.

Sport tourism, Madam Speaker, and I am glad that the Minister decided to, of course, utilize our projects that we would have completed over our tenure to encourage sport tourism in the country and I make reference to the aquatic centre, the cycling velodrome, the tennis centre and other infrastructural works done over the past five years, to encourage the sport tourism initiative in order to diversify the economy moving forward. And, therefore, from the Minister of Sport, we look forward to hearing his contribution on how quickly these infrastructural projects will be utilized to stimulate the sport tourism sector. So we look forward to that, Madam Speaker.

In addition to that, I want to go back a little bit to the environment and, of course, with the new Government in place, we have pieces of legislation that are yet to be laid and accepted in this House. The Forestry, Protected Areas and Wildlife Conservation Bill, 2014, was in the midst of being reviewed and approved by various stakeholders at the time of the change in administration. The new laws, at least according to the draft Bill, would have resulted in several long-awaited changes to our wildlife conservation laws. I quote from the *Newsday*. The Field Naturalists’ Club put out an article out their supporting this 2014 piece of legislation that was brought under our tenure and, of course, asking for it to be accepted by the new Government so that things can move ahead in the preservation and conservation of our wildlife.

Of course they continue to say that they appreciate the changes made in the legislation and that the recent budget statement referred to new legislation for the environment and they are looking forward to seeing what is going to come.

“In the meantime, however,”—they are saying—“there is much that can be done while that process runs its course. As the draft... Bill 2014 indicated concern over certain species, this amounts to the government recognising a valid threat, regardless of whether or not the final legislation is in place...the...Wildlife Policy was passed by Cabinet in 2013, so the mandate for sustainable wildlife management is undeniable.

It is fully within the Minister’s powers to declare certain measures now to help address these threats.

Action does not have to wait for new legislation.”

Appropriation Bill, 2015
[MISS RAMDIAL]

Friday, October 09, 2015

I want to appeal to the Minister of Planning—because I understand that environment has now gone back to that Ministry—to look at these pieces of legislation with urgency and bring them forward to the Parliament.

“The draft bill indicates that the sale of ‘wild’ meat, unless it is farm-raised, will not be permitted under the new legislation.

Clearly this means that the state acknowledges that the sale of meat from animals caught in our forests and swamps is NOT sustainable or desirable.

It also runs counter to suggestions that commercial hunters have a right to personally benefit financially from a national resource.

To this end, we believe that a moratorium on the sale of wild meat should be implemented immediately as this will serve as a useful measure for curbing commercial poaching until the new legislation and controlled wildlife farming can be brought on-stream.”

These were some of the plans that the Ministry of the Environment and Water Resources had for the term.

“While some of the more vocal hunters will argue otherwise, the reality is that many bona fide recreational hunters also agree with the banning of all wild meat sales.

A ban on commercial sales would help to alleviate the pressure from commercial hunters and poachers.

This would allow for significant benefits to wildlife without alienating recreational hunters.

Freshwater habitats have disappeared dramatically since the collapse of the rice industry, and the pressures faced by freshwater birds are significant.”

Madam Speaker, the species, of course, were included in that piece of legislation, so I will not identify the species, but I would also say that the Field Naturalists’ Club of Trinidad and Tobago continues their good work and they are also saying that they call for:

- A moratorium on the sale of wild meat.
- A ban on the hunting of all waterfowl (ducks) and other large marsh birds.
- A ban on the possession of our native seedeaters and seed finches...”

And this is all included in that piece of legislation that is there for the Minister of Planning and Development to bring to this House.

In addition to that, Madam Speaker, I also want to quote again from the *Newsday* where, the “All Trinidad queries agri \$\$ budget cut”, and this is another stakeholder group from within the society that, of course, spoke after the budget was read by our Minister of Finance.

“The union”—would like to remind the—“Prime Minister Keith Rowley of his election campaign promises to deal with outstanding issues affecting the ex-employees of Caroni 1975 Ltd which include outstanding leases for residential and agricultural lots.”

And let us not be fooled, the People’s Partnership Government started this process under our tenure and we were able to give out at least 3,000 agricultural leases and about the same, with respect to the residential leases. So it is really just for the new Government to continue that good work.

And, of course, they called upon the Prime Minister:

“...to make the necessary revisions in the allocation of funding so as to bring these long outstanding issues to an end.”

They went on to remind this new Government that they:

“...are not gifts or handouts but are indeed outstanding provisions of the VSEP Package owed to the Ex-employees of Caroni (1975) Limited and also an order of the High Court as per the Deyalsingh Judgment of 2007.”

So, they have given the Prime Minister a golden opportunity, as they like to say it, to cross the political divide and to take hold of this and settle once and for all Caroni (1975) Limited ex-workers issues. So, again, we wait for the Government to make pronouncements on these, as we move forward.

In addition to that, Madam Speaker, we have been monitoring the media since this budget was read and, of course, there are mixed responses. We are seeing that the maxi-taxi associations are saying that there are going to be hikes in the fees, in the travelling costs. In every area within Trinidad and Tobago there are going to be hikes. They are not happy. Some are not happy with the fuel hike. Some, while they understand the need to increase the fuel, to cut the subsidy, still they do not understand why at this time it has to be with two fuels and not one.

Maxi-taxi, taxi drivers on gas price hike, *Newsday*, Tuesday, October 06, said that the fares will increase, not now but eventually the fares will increase.

“...several maxi-taxi drivers yesterday warned the nation’s hundred thousand-plus travelling public that fares will increase, if not immediately, in the very near future.”

Appropriation Bill, 2015
[MISS RAMDIAL]

Friday, October 09, 2015

And so we are saying this is happening. The Minister himself spoke about this just being an interim budget and the real budget was to come in March after the mid-term review. So we are yet to see what they are going to bring to the population of Trinidad and Tobago.

In addition to that, I see also that the Minister of Education has said that the laptops are here for now; it remains for now. So we wait to hear a statement from the Minister of Education in detail and clarification as to what is going to happen with the laptop programme.

Madam Speaker, I want to say that under our tenure, the People's Partnership Government had a crime plan. They had a plan for the environment moving forward. They had a plan with respect to public utilities, providing basic amenities for the people of our country. It is all about having a plan to increase the standard of living for the people of Trinidad and Tobago.

In our manifesto of 2015, we spoke to the green economy, the blue economy, the silver economy and, of course, it was laid out in detail as to what were our plans for the second term. But, of course, the democratic process took its due turn in our country and—[*Interruption*]

Madam Speaker: Hon. Member for Couva North, your 45 minutes have expired. Are you making a request to continue speaking?

Miss R. Ramdial: Yes, Madam Speaker, I would like to have my time.

Madam Speaker: Request is granted.

Miss R. Ramdial: Thank you. Madam Speaker, as I was saying, we invested a lot of money over the past five years in crime, in seeing T&T as a safer crime-free country, a zero tolerance approach to crime. And some of our plans were, of course, to deal with crime prevention, reduction and control and it was multipronged in its approach.

7.30 p.m.

Of course, it is a zero tolerance approach to crime; more effective law enforcement and policing, which would include intensifying the adoption and use of modern technology; social interventions, because we realize that crime affects everyone; the Citizen Security Programme would have been continued; the reform of the justice system and the legal framework to deal with the backlogs in the courts; the rehabilitation of offenders through a first-offenders programme that prevents recidivism and offers more concentrated education and training inside

prisons to bridge—to transformational opportunities in the market; reduction, Madam Speaker, in the delays in determination of court matters by freeing up the backlog and by establishing specialized courts; establishing specialised courts to address issues such as family matters and juvenile matters; applying technology to the judicial system such as the video conferencing of remand hearings, and digital audio recording to supplement transcription; reforming the penal system, and it goes on with a host of recommendations to deal with crime in our country.

I can go on and on about what our plans were, but this is a new Government and we have to give them their chance to see what they do for the people of Trinidad and Tobago. Therefore, after this budget was read by the Minister, the people of Trinidad and Tobago have once more been fooled by their propaganda, and they will continue to be fooled by the propaganda if they do not wake up and smell the coffee as we would say on this side.

I want to end, Madam Speaker, by saying that Napoleon Bonaparte said:

“A leader is a dealer in hope.”

—but this budget does not give hope for the people of Trinidad and Tobago. How can there be hope in the face of rising taxes, revenue authority, property tax, rapid rail, job cuts and the increasing cost of living.

Thank you, Madam Speaker. [*Desk thumping*]

ADJOURNMENT

The Minister of Planning and Development (Hon. Camille Robinson-Regis): Madam Speaker, I beg to move that this House do now adjourn to Saturday, October 10, 2015 at 10.00 a.m.

Madam Speaker: Hon. Members before I put the question, I would like to congratulate all the Members who have made their maiden contributions. [*Desk thumping*]

I also want to commend all the other Members who have extended congratulations to each other. It appears that there was an omission, so I especially mention the maiden contribution of the Member for St. Ann’s East. [*Desk thumping*]

Question put and agreed to.

House adjourned accordingly

Adjourned at 7.33p.m.