

HOUSE OF REPRESENTATIVES

Friday, September 20, 2019

The House met at 1.30 p.m.

PRAYERS

[MADAM SPEAKER *in the Chair*]

LEAVE OF ABSENCE

Madam Speaker: Hon. Members, I have received communication from the hon. Dr. Nyan Gadsby-Dolly, MP, Member for St. Ann's East, and from Ms. Marlene Mc Donald, MP, Member for Port of Spain South, both of whom have requested leave of absence from today's sitting of the House. The leave which the Members seek is granted.

**PRIVATE MEMBERS' BILL
(LEAVE TO INTRODUCE)**

Madam Speaker: Hon. Members, you were notified on Thursday, September 05, 2019 that the Leader of the Opposition submitted a Private Members Bill on Wednesday September 04, 2019, entitled, The Sedition Repeal Bill, 2019. A Private Member's Motion for leave to introduce this Bill has been placed on the Order Paper in accordance with Standing Order 61(1) and (2). The matter will be taken later in the proceedings.

PAPERS LAID

1. Ministerial Response of the Ministry of Public Administration on the Twenty-Second Report of the Public Accounts Committee on the Examination of the Audited Financial Statements of the Telecommunications Authority of Trinidad and Tobago for the financial years 2010 to 2016. [*The Minister of Planning and Development (Hon. Camille Robinson-Regis)*]

2. Forty-First Annual Report of the Ombudsman for the period January 2018 to December 2018. [*The Deputy Speaker (Mr. Esmond Forde)*]
3. Consolidated Financial Statements of the Urban Development Corporation of Trinidad and Tobago Limited for the financial year ended December 31, 2008. [*The Prime Minister (Hon. Dr. Keith Rowley)*]
4. Consolidated Financial Statements of the Urban Development Corporation of Trinidad and Tobago Limited for the financial year ended December 31, 2009. [*Hon. Dr. K. Rowley*]
5. Consolidated Financial Statements of the Urban Development Corporation of Trinidad and Tobago Limited for the financial year ended December 31, 2010. [*Hon. Dr. K. Rowley*]
6. Consolidated Financial Statements of the Urban Development Corporation of Trinidad and Tobago Limited for the financial year ended December 31, 2011. [*Hon. Dr. K. Rowley*]
7. Consolidated Financial Statements of the Urban Development Corporation of Trinidad and Tobago Limited for the financial year ended December 31, 2012. [*Hon. Dr. K. Rowley*]
8. Consolidated Financial Statements of the Urban Development Corporation of Trinidad and Tobago Limited for the financial year ended December 31, 2013. [*Hon. Dr. K. Rowley*]
9. Consolidated Financial Statements of the Urban Development Corporation of Trinidad and Tobago Limited for the financial year ended December 31, 2014. [*Hon. Dr. K. Rowley*]
10. Consolidated Financial Statements of the Urban Development Corporation of Trinidad and Tobago Limited for the financial year ended December 31, 2015. [*Hon. Dr. K. Rowley*]

Papers 3 to 10 to be referred to the Public Accounts (Enterprises) Committee.

**JOINT SELECT COMMITTEE REPORTS
(Presentation)**

The Minister of Planning and Development (Hon. Camille Robinson-Regis):

Madam Speaker, I have the honour to present the following reports:

Miscellaneous Provisions (Local Government Reform) Bill, 2019

Report of the Joint Select Committee appointed to consider and report on the Miscellaneous Provisions (Local Government Reform) Bill, 2019, in the Fourth Session, Eleventh Parliament.

Constitution (Amdt.) (Tobago Self-Government) Bill, 2018

Report of the Joint Select Committee appointed to consider and report on the Constitution (Amdt.) (Tobago Self-Government) Bill, 2018 in the Fourth Session, Eleventh Parliament.

National Statistical Institute of Trinidad and Tobago Bill, 2018

Report of the Joint Select Committee appointed to consider and report on the National Statistical Institute of Trinidad and Tobago Bill, 2018 in the Fourth Session, Eleventh Parliament.

PUBLIC ACCOUNTS (ENTERPRISES) COMMITTEE

(Presentation)

Dr. Tim Gopeesingh (Caroni East): Madam Speaker, I have the honour to present the following reports:

Palo Seco Agricultural Enterprises Limited

Twentieth Report of the Public Accounts (Enterprises) Committee into the Examination of the Audited Accounts, Balance Sheets and other Financial Statements of the Palo Seco Agricultural Enterprises Limited for the financial years 2012 to 2017.

Trinidad and Tobago Creative Industries Company Limited

Twenty-Second Report of the Public Accounts (Enterprises) Committee into the Examination of the Audited Accounts, Balance Sheets and other Financial Statements of the Trinidad and Tobago Creative Industries Company Limited for the financial years 2014 and 2015.

InvesTT Limited

Twenty-Third Report of the Public Accounts (Enterprises) Committee into the Examination of the Audited Accounts, Balance Sheets and other Financial Statements of the InvesTT Limited for the years 2014 to 2017.

JOINT SELECT COMMITTEE REPORTS**(Presentation)****Private Security Industry Bill, 2019**

The Minister of Planning and Development (Hon. Camille Robinson-Regis):

Madam Speaker, on behalf of the Member of Laventille West, I have the honour to present the following report:

Report of the Joint Select Committee appointed to consider and report on the Private Security Industry Bill, 2019 in the Fourth Session, Eleventh Parliament.

Cybercrime Bill, 2017

The Attorney General and Minister of Legal Affairs (Hon. Faris Al-Rawi):

Madam Speaker, I have the honour to present the following report:

Report of the Joint Select Committee appointed to consider and report on the Cybercrime Bill, 2017 in the Fourth Session, Eleventh Parliament.

Gambling (Gaming and Betting) Control Bill, 2016

The Minister of Finance (Hon. Colm Imbert): Madam Speaker, I have the honour to present the following reports:

Report of the Joint Select Committee appointed to consider and report on the Gambling (Gaming and Betting) Control Bill, 2016 in the Fourth Session, Eleventh Parliament.

Mutual Administrative Assistance in Tax Matters Bill, 2018, the Tax Information Exchange Agreements Bill, 2018 and the Income Tax (Amdt.) Bill, 2019

Report of the Joint Select Committee appointed to consider and report on the Mutual Administrative Assistance in Tax Matters Bill, 2018, the Tax Information Exchange Agreements Bill, 2018 and the Income Tax (Amdt.) Bill, 2019 in the Fourth Session, Eleventh Parliament.

Madam Speaker: Hon. Members, I want to revert to Report No. 5 and call upon the Member for Port of Spain North/St. Ann's West.

Private Security Industry Bill, 2019

The Minister of National Security (Hon. Stuart Young): Thank you very much, Madam Speaker. Madam Speaker, I have the honour to present:

Report of the Joint Select Committee appointed to consider and report on the Private Security Industry Bill, 2019 in the Fourth Session, Eleventh Parliament.

URGENT QUESTIONS

**Outbreak of Tuberculosis
(Details of)**

Mr. Rudranath Indarsingh (Couva South): To the hon. Minister of Education: Could the Minister inform this House if there has been an outbreak of tuberculosis at the College of Science, Technology and Applied Arts (COSTAATT) Chaguanas Campus?

The Minister of Education (Hon. Anthony Garcia): Thank you very much, Madam Speaker. Madam Speaker, the College of Science Technology and Applied

Arts (COSTAATT) confirms that there is no tuberculosis outbreak at the COSTAATT Chaguanas campus. The HR division received communication on Wednesday 18th of September of a suspected case of tuberculosis at the Chaguanas campus. The employee in question had not been on campus for a number of days.

However, upon receiving the information, the HSE department immediately contacted the OSH agency which advised the following: one, the immediate testing of all employees who may have been exposed and two, a thorough sanitization of the workplace. All the employees who may have been exposed were tested and received negative results. The work space was also sanitized according to OSH guidelines. Upon confirmation that there were no infected employees at the campus, the college adhered to OSH guidelines and informed all employees of the campus that it was safe to continue operations. Thank you very much.

Mr. Indarsingh: Thank you very much, Madam Speaker. Mr. Minister, you have indicated that a service provider was engaged to sanitize the campus. Did it take into consideration all employees and students and further to that, was the campus declared fit and proper by the OSH agency?

Madam Speaker: Member, Member, it is one question. Which one is it? It is one question, which one is it?

Mr. Indarsingh: Madam Speaker, if those on the other side want to come and ask the question they could do it.

Madam Speaker: Member for Caroni East. Member for Caroni East, question No. 2.

Security Measures at Eric Williams Medical Sciences Complex (Details of)

Dr. Tim Gopeesingh (*Caroni East*): To the hon. Minister of Health: Could the Minister inform the House why the Ministry failed to effectively assess and implement strong security measures in light of recent robberies and break-ins at the

Eric Williams Medical Sciences Complex?

The Minister of Health (Hon. Terrence Deyalsingh): Thank you very much, Madam Speaker. In a similar vein to the previous question, there has been no spate of break-ins. There has been no spate of robberies. One cell phone was stolen from one patient valued \$650. One cell phone was stolen from one patient. The Ministry of Health and the Minister of Health, about three years ago after a false claim by an intern in Port of Spain being robbed, I personally instructed the RHAs to have an appropriate mix of technology and human presence, and I am happy to tell the country that the CCTV, which we installed recently, captured the image of the person who stole the one phone from the one patient. It has been handed over to the St. Joseph Police Station and my information is an arrest is imminent because we instituted strong security measures using CCTV. Let me reiterate, it was one phone, one break-in, not a spate of break-ins and not a spate of robberies. And I am sure to that one patient it is a serious matter and we take that very seriously. Thank you, Madam Speaker.

Dr. Gopeesingh: Hon. Minister, are you aware of a newspaper report on Thursday, September 19, 2019, where it was reported that two intruders broke into the Adult Surgical Ward 2, and stole sleeping patients' cell phones and other valuable personal items. They were busy rampaging through patients' bags and pockets of their clothing when the lone nurse on duty walked into the ward for a routine inspection when she discovered them and the nurse ran out screaming for help. Are you aware of that report the on the *Newsday*, Thursday, September 19, 2019?

Hon. T. Deyalsingh: I am also aware of many media reports, and I will refer you to a front page article in the *Trinidad and Tobago Guardian* which featured an under nineteen ex-cricketer, saying he could not get blood, he could not get this, he

could not get that which was a total fabrication and that made front page news in the *Guardian*.

And the *Guardian* later mounted their own sting operation and caught that person lying, and that is what happens in this country.

1.45 p.m.

Madam Speaker: Remember there are certain words that we do not use. Member, Member for St. Joseph, Minister of Health, you know there are certain words that we do not use.

Hon. T. Deyalsingh: Oh, sorry, a gross untruth. So, we have to be careful how we interpret what is carried in the news media.

Madam Speaker: Supplemental, Member for Caroni East.

Dr. Gopeesingh: Are you aware that for months the nurses and the doctors at Eric Williams Medical Sciences Complex have been crying for better security in the midst of a number of instances of burglaries and car breaking, and getting into doctors' rooms when they are on duty in the night. Are you denying that, Minister?

Hon. T. Deyalsingh: Madam Speaker, I thank you, and the RHA who owns the property, I am sure that they will take all appropriate measures and review all security measures. Thank you very much, Madam Speaker.

**Trinidad and Tobago Police Service
(Details of Releases)**

Mr. Barry Padarath (*Princes Town*): Thank you, Madam Speaker. To the hon. Minister of Finance: Given recent reports that the Trinidad and Tobago Police Service had not been receiving releases, could the Minister indicate how soon would the situation be rectified?

The Minister of Finance (Hon. Colm Imbert): Thank you, Madam Speaker. Madam Speaker, I am not certain which reports the Member for Princes Town is

referring to, but I was sent something two days ago which is being circulated on social media which reads as follows:

Our police service has not received one red cent from you—
Speaking to me as Minister Imbert.

—to pay for goods and services since March.

I understand that this was posted by one Kirk Waithe who now apparently has access to the confidential files in the Trinidad and Tobago Police Service Accounting Department, or is simply spreading untruths.

Let me just tell you what the facts are, let me tell you what the facts are,
Madam Speaker.

Madam Speaker: Member for Princes Town. You are entitled to two supplementals.

Hon. C. Imbert: Madam Speaker, the Ministry of Finance has assisted the police service whenever the police service is in need of funds. We meet with the Police Commissioner and our staff collaborate and assist the police service whenever necessary. Let me just state the facts as given to me by the Ministry of Finance staff.

The total budgeted expenditure for the Trinidad and Tobago Police Service for fiscal 2019. The recurrent allocation 2.195 billion. Releases and expenditure so far, 2.104 billion. Let me repeat, Madam Speaker, the allocation for the TTPS for 2019 recurrent, 2.195 billion. Releases and expenditures so far, 2.104 billion. On the development programme, allocation 56.1 million. Releases so far, 24.6 million. On the Infrastructure Development Fund allocation, 68.5 million. Releases and expenditure so far, 53 million. And now let me deal with the specific allegation.

Madam Speaker: Minister, your time is now spent.

Hon. C. Imbert: Thank you.

Madam Speaker: Supplemental, Member for Princes Town.

Mr. Padarath: Thank you, Madam Speaker. Madam Speaker, in light of the Minister's answer there is clearly a breakdown of communication between the Minister and what is happening in the TTPS, and I am hoping the Minister—

Madam Speaker: Is that the question?

Mr. Padarath: No, Ma'am, I am getting—

Madam Speaker: These are not statements, these are 15 seconds.

Mr. Padarath: Madam Speaker, the question is: In light of the seriousness of the matter that the TTPS is running on fumes for the past six months, could the Minister indicate whether he has been in direct contact with the Commissioner of Police to give any assurances since the public revelation by the Commissioner of Police yesterday on CNC3, or does the Minister have a case of “Pip”?

Hon. C. Imbert: Madam Speaker, I will not accept anything said by the Member of Princes Town with respect to any alleged statement made by the Commissioner of Police. The Ministry of Finance communicates with the Commissioner of Police all the time, and as a result of those communications in this specific instance of Goods and Services, Madam Speaker, over the period March to September which is the period within that social media posting, the Ministry of Finance has released \$244 million to the police service for Goods and Services [*Desk thumping*] \$244 million. Remember, Madam Speaker, that the allegation is that we did not release “one red cent” for Goods and Services between March and September. We have released and credited \$244 million. And I can say that I had a discussion with the Commissioner of Police not too long ago, in terms of giving him the assurance that we will continue to release Goods and Services money to the police, and I can say now that we intend to release and provide grant of credits

for the entire allocation for 2019 for the TTPS. [*Desk thumping*]

Madam Speaker: You have exhausted your supplementals. Okay, Member for Naparima.

Mr. Charles: Thank you, Madam Speaker. Is the Minister saying that the Commissioner of Police misadvised the population when he said that he only had money for recurrent expenditure for salaries, and not to carry out the mandate of the TTPS? And do you not think this is an abdication of responsibility so to do?

Madam Speaker: So, we will take the first question. We will take the first question, Minister of Finance.

Hon. C. Imbert: Madam Speaker, as I said, the Ministry of Finance has been in communication with the Commissioner of Police indicating to him when funds would be released and when they were released credits were granted. I am not accepting any version of reality from the Member from Naparima. We have an excellent relationship with the TTPS which is why we have released almost 98 per cent of the allocation so far. And we will continue to release the entire remaining 3 per cent as the case may be, Madam Speaker. There is no issue between the Commissioner of Police, or the TTPS, or the Ministry of Finance. We are in constant communication, cooperation and dialogue, and we will support them in all their endeavours, Madam Speaker. [*Crosstalk*]

**DEFINITE URGENT MATTER
(LEAVE)**

**Eric Williams Medical Sciences Complex
(Criminal Activity at)**

Dr. Tim Gopeesingh (*Caroni East*): Thank you, Madam Speaker, in accordance with Standing Order 17, I hereby seek leave to move the adjournment of the House at its Sitting today for the purpose of discussing the following definite matter of urgent public importance, namely the ongoing criminal activity at the Eric

Williams Medical Sciences Complex.

The matter is definite because it relates to the continued attacks by criminals on the Eric Williams Medical Sciences Complex. The matter is urgent because the repeated cries by staff for better security go unheeded by the Authority. The matter is of public importance because the EWMSC serves more than 400,000 citizens in the catchment area who are entitled to a secure and criminal-free environment at this institution.

Madam Speaker: Hon. Members, I am of the view that this matter does not qualify under Standing Order 17.

STATEMENTS BY MINISTERS

Madam Speaker: Leader of the House. I believe that there has been a discussion?

The Minister of Planning and Development (Hon. Camille Robinson-Regis): Yes, Ma'am.

Madam Speaker: And there is an agreement that this matter would stand down and be taken later in today's proceedings.

Hon. C. Robinson-Regis: Yes.

Madam Speaker: This matter is now stood down.

GOVERNMENT SAVINGS BONDS (AMDT.) BILL, 2019.

Bill to amend the Government Savings Bonds Act, Chap. 71:41 [*The Minister of Finance*]; read the first time.

Motion made: That the next stage be taken later in the proceedings. [*Hon. C. Imbert*]

Question put and agreed to.

STANDING ORDER 79(3) Continuation of Bills in the Fifth Session

The Minister of Planning and Development (Hon. Camille Robinson-Regis):

Thank you very kindly, Madam Speaker. Madam Speaker, in accordance with Standing Order 79(3), I beg to move that in the Fifth Session of the Eleventh Parliament the proceedings on the following Bills be resumed:

1. The Urban and Regional Planning Profession Bill, 2019;
2. The Supplemental Police (Amdt.) Bill, 2019;
3. The Miscellaneous Provisions (Law Enforcement Officers) Bill, 2019;
4. The Miscellaneous Provisions (Local Government Reform) Bill, 2019;
5. The Private Security Industry Bill, 2019;
6. The Cybercrime Bill, 2017;
7. The Gambling (Gaming and Betting) Control Bill, 2016;
8. The Mutual Administrative Assistance in Tax Matters Bill, 2018;
9. The Tax Information Exchange Agreements Bill, 2018;
10. The Income Tax (Amdt.) Bill, 2019;
11. The Constitution (Amdt.) (Tobago Self-Government) Bill, 2018;
12. The National Statistical Institute of Trinidad and Tobago Bill, 2018;
13. The Trinidad and Tobago Revenue Authority Bill, 2018;

Thank you very kindly, Madam Speaker.

Question put and agreed to.

GOVERNMENT SAVINGS BONDS (AMDT.) BILL, 2019

The Minister of Finance (Hon. Colm Imbert): Madam Speaker, I beg to move:

That the Bill to amend the Government Savings Bonds Act, Chap. 71:41, be now read a second time.

Madam Speaker, before you this afternoon is the Government Savings Bonds (Amdt.) Bill, 2019. The objective of this Bill is to amend the Government Savings Bonds Act, Chap. 71:41, to make provision for tax free Government Bonds to be

issued to facilitate the purchase of Housing Development Corporation or HDC houses, and to increase the total value of bonds issued under the Act.

The proposed amendments to the Act are premised on Government's policy objective to provide increased access to adequate, affordable and decent housing to the general population. A concurrent policy objective of the amendments, Madam Speaker, is to encourage individuals to implement a savings plan towards the purchase of affordable houses by offering an attractive and easily accessible investment instrument that will enable persons to attain home ownership in the shortest possible time frame.

By way of background, Madam Speaker, the Government Savings Bonds Act was enacted in 1962, to authorize the issue of savings bonds to declare the terms and conditions applicable to the bonds issued, and to provide for the rights and the security of bond holders. The Act was subsequently amended by Acts No. 50 of 1982, No. 103 of 1983, No. 11 of 1988, and No. 14 of 1995.

The Act at present provides for the issue of four different types of savings bonds namely: Government Savings Bonds, National Tax Free Savings Bonds, Tax Free Housing Bonds and National Savings Bonds.

In the case of Government Savings Bonds, National Tax Free Savings Bonds and Tax Free Housing Bonds, Regulations have been made under section 8 of the Act, which prescribed the particular aspects of each type of savings bonds. Government Savings Bonds Regulations were introduced by Government Notice, No. 88 of 1962, National Tax Free Savings Bonds Regulations by Government Notice 2016 of 1977 and Tax Free Housing Bonds Regulations by Legal Notice 157 of 1988. Tax Free Housing Bonds were introduced into the Government Savings Bonds Act by Act No. 11 of 1988.

2.00 p.m.

These legislative amendments appeared to have been intended to facilitate a system under which tax free housing bonds were to be issued by Government to individuals, the proceeds of which could be utilized for the provision of mortgage facilities by approved mortgage companies. This system was supported by consequential amendments.

Madam Speaker, set of noise down so. [*Interruption*] Yeah, I know it is my people.

Madam Speaker: Minister of Finance—

Hon. C. Imbert: I am being disturbed, Madam Speaker.

Madam Speaker: As a seasoned Member, I know you would not allow yourself to be disturbed. Please proceed.

Hon. C. Imbert: Thank you, Madam Speaker. Madam Speaker, as I said, tax free housing bonds were introduced into the Government Savings Bonds Act by Act No. 11 of 1988. These legislative amendments appear to have been intended to facilitate a system under which tax free housing bonds were to be issued by Government to individuals, the proceeds of which could be utilized for the provision of mortgage facilities by approved mortgage companies. This system was supported by consequential amendments to the Income Tax Act, Chap. 75:01, to section 8 which treats with exemptions to income tax, and the Corporation Tax Act, Chap. 75:02, in the Fifth Schedule, to provide a tax benefit to approved mortgage companies and was facilitated by the then National Housing Authority.

Madam Speaker, in January 2015, by the Finance Act, No. 2 of 2015, the National Tax Free Savings Bonds Regulations were amended in Regulation 9 to significantly decrease the interest rates of that category of bonds from 6 per cent for five years, 7 per cent for seven years and 8 per cent for 10 years, to 1 per cent for five years—seven years—sorry 1 per cent for five years, 2 per cent for seven

years and 3 per cent for 10 years. The stated rationale for this decrease was that they were out of line with current market interest rates. And, Madam Speaker, this information can be obtained from the *Hansard* in the House of Representatives.

However, Madam Speaker, on coming into office, this Government recognized that there was a paucity of low-risk investment opportunities with attractive returns open to the average citizen, persons such as pensioners and hard-working tax paying people who do not have a significant amount of money to just put aside in investments offered by commercial banks and other financial institutions with little or no returns. Therefore, this Government introduced national savings bonds, by the most recent previous amendments to the Act, done through the Finance Act, No. 3 of 2016. Those amendments were aimed at addressing in part the consistent annual decline in ordinary Trinidad and Tobago dollar savings deposit rates by enhancing the availability of the Trinidad and Tobago dollar investment grade instruments across various points on the yield curve, thereby stimulating domestic savings to finance investments.

These National Savings Bonds have an attractive maturity profile of three, five and seven years, and attractive interest rates occurring at six-month intervals of 3 per cent for three years, 3.5 per cent for five years and 3.75 per cent respectively for seven years payable upon encashment of the bonds. Continuing in the vein of providing a much needed stimulus to our domestic capital market while at the same time providing greater accessibility to housing, it is now proposed by this Bill that a new category of bonds be established under the Government Savings Bonds Act, and that is HDC Housing Bonds, and I stress HDC Housing Bonds. This is primarily intended to address a situation with public housing. These bonds will have the added feature of the ability to be used directly for the purchase of a house from the HDC, whether as a down payment or a substantial payment. It

is also proposed, Madam Speaker, that these HDC Housing Bonds be tax free and that there be no limit on the value of the houses purchased utilizing HDC Housing Bonds. The particular aspects of the HDC Housing Bonds will be set out in regulations to be made under section 8 of the Act.

I now turn to the specific provisions of the short Bill before us, Madam Speaker. And you will see that it is indeed quite a short Bill. The Government Savings Bonds (Amdt.) Bill has just five clauses, Madam Speaker.

Clause 1 is the standard short title of the Bill.

Clause 2 is the interpretation section of the Bill which provides just an interpretation for the word "Act" which means the Government Savings Bond Act.

Clause 3, Madam Speaker, will insert a new section 2B into the Act to the effect that the proceeds of the sale of tax free HDC Housing Bonds issued under the Act will be applied solely for the purchase of housing from the HDC by individuals. And I want to stress again, this is only for public housing. This clause is to operate, notwithstanding section 2A of the Act. The rationale for this provision, Madam Speaker, is to allow for the mechanisms currently under the Act related to tax free housing bonds to continue. And that is with respect to bonds that would be used for mortgage payments to continue to operate, while at the same time making provision for the issue of these new HDC housing bonds, which will be available for use for down payments and to make payments to the HDC for houses.

As I mentioned earlier, the Act currently provides for four categories of bonds, one of which is tax free housing bonds. Tax free housing bonds have been previously issued under the Act to facilitate the purchase of housing through mortgages pursuant to section 2A of the Act. The proceeds of tax free housing bonds shall be applied solely for the provision of mortgages to individuals for the

purchase of houses, but the possibility—and the possibility there exists that there still remains some holders of these tax free housing bonds that were issued some years ago. I will go into in a little while, Madam Speaker, the information I have with respect to the bonds that were already issued. And let me deal with it now.

In 1962, bonds with a tenor of 12 years were issued in an amount of \$6,780,068. In 1978, bonds with a coupon rate of 6 per cent were issued in an amount of \$6,259,500. In 1983, bonds to a total of five billion—sorry, \$5,941,850 were issued at a coupon rate of 6 per cent. In 1986, bonds totalling \$6,819,800 were issued. In 1988, bonds totalling \$18,341,100 were issued. In 1992, bonds totalling \$14,842,850 were issued. In 1993, bonds totalling \$14,430,450 were issued; and in 1994, bonds totalling \$12,841,850 were issued. Let me just recap, Madam Speaker. The way the text was, it is a little confusing. So let me go back. In 1962, \$6.78 million; 1978, \$6.62 million; 1983, \$51.09 million; 1986, \$68.0 million; 1988, \$18.03 million; 1992, \$14.8 million; 1993, \$14.4 million; and 1994, \$12.8 million. It appears after that, Madam Speaker, for one reason or another, the use of Government Savings Bonds and housing bonds fell into abeyance and we intend to revive it at this point in time. So that there may be some people outside there who hold Tax Free Housing Bonds from years ago and we need to protect them.

Clause 4 of the Bill will amend section 3 of the Act to obtain three objectives. Firstly, the Minister will now be authorized to issue both transferable and non-transferable bonds. The Act as it now stands only authorizes the issue of non-transferable bonds. In other words, they can only be used for one purpose. This amendment is necessary, Madam Speaker—or by one person. This amendment is necessary, Madam Speaker, to allow for flexibility in the issue of bonds, so that where necessary, for example, to facilitate the purchase of housing,

bonds may be transferable. And where it is desirable for bonds to be not transferable, they will be issued in a non-transferable form so that the Government now has flexibility.

Clause 4 will raise the current limit for the issue of savings bonds from the current two billion dollars to three billion dollars. The Act was most recently amended by Act No. 10 of 2016 to raise the limit from three hundred million as it was then to the current two billion dollars ceiling. The amendment in 2016 was made to facilitate the introduction of the National Savings Bond under the Act as I mentioned earlier.

Consequently, since it is proposed that an additional new category of bonds be established and issued under the Act, it is necessary to again raise the limit. This is necessary so it will be feasible for the Government to issue more than one category of bonds at the same time or issue bonds during the tenure of a previously issued bond without exceeding the limit.

Finally, Madam Speaker, clause 4 of the Bill will amend section 3 of the Act to allow for the limit under section 3 to be amended as may be specified by the Minister of Finance by Order.

The final clause will amend the Schedule of the Act in Part A to insert the new category of bonds, HDC Housing Bonds, and in Part B, to provide a Tax Free HDC Housing Bonds Regulations be enacted to govern the issue of Tax Free HDC Housing Bonds. As is the case for all bonds issued under the Act, it is intended that regulations be enacted to prescribe the aspects of the HDC Housing Bonds, including matters such as the interest rate, maturity profile, encashment of the bonds, authorized fiscal agents, where and how bonds may be purchased and matters related thereto.

Now, Madam Speaker, the underlined purpose of the matter before the

House is to create two situations, Madam Speaker. Firstly, it is the intention of the Government to create revenue stream for the Housing Development Corporation. One of the things that has humbugged the housing development effort over the last many years, through all Governments, has been the availability of funds because it has been a challenge for all Governments, I would say over the last 20 or 30 years, to allow persons who occupy HDC houses through the rent-to-own system or through the licence to occupy system. It has been a challenge for all Governments to convert those persons from rent-to-own or licence to occupy into a mortgage situation where the full proceeds for the sale of the house come to the Housing Development Corporation.

The way the system is supposed to work, Madam Speaker, as the Government constructs houses and persons get their mortgage loans through TTMF or otherwise, through the commercial banking sector, then those funds would be the feedstock for the construction of new houses. But unfortunately, over many, many, many years, for all sorts of reasons, it has proven a challenge to get that steady income stream coming in, so that purchasers of houses now would provide the funding for the construction of houses in the future. So this Government decided that it is necessary to provide the HDC with a steady stream of funds in this way, through the issue of HDC Housing Bonds. When persons purchase these bonds they will be able to keep them if they wish or they can accumulate them. We are doing it in this way to help the little man so that persons will be able to buy bonds in say denomination of \$1,000.

2.15 p.m.

Someone may be able to accumulate one bond a month, and therefore over a three-year period, Madam Speaker, at \$1,000 a month, someone could accumulate \$36,000 in HDC Housing Bonds, and then use that \$36,000 worth of bonds to

purchase an HDC house for the down payment or towards a purchase of the house if they cannot otherwise qualify for a mortgage of the amount required.

So we are issuing these bonds really to help the little person, the person who does not have a lot of money and can only put away a certain sum on a monthly basis and this allows them over a period of years to accumulate sufficient money so that they could pay the down payment or pay towards an HDC house. Because one of the challenges we have found in this Government, and all governments have found this, is that the majority of persons who are desirous of obtaining an HDC house cannot afford it. The majority of persons who wish to purchase an HDC house fall into the rental category when an assessment is done of their income and their ability to purchase a house. So there is a large body of persons outside there who are seeking to obtain an HDC house who simply cannot because they do not have the capital and they do not have the income stream required.

So this measure is designed to encourage the people to save, because that is another issue we have in this country, there is no ingrained culture of savings for housing. And therefore this is to encourage people to save towards an asset which they will have for the rest of their lives and also provide the income stream to the HDC, Madam Speaker, because the proceeds of these bonds will be given to the HDC to give them cash flow to continue their construction programme to complete the houses that they have under construction.

And housing is not cheap, Madam Speaker. The annual cost of housing, for example in 2015, the expenditure of housing under the previous government, \$1.75 billion, and that is typical of the kind of money that is required to be put into the housing system. We have not had those kinds of—in one year \$1.75 billion. *[Interruption]* That is under you. So, Madam Speaker—“doh” ask me how many houses you built, I am not sure you build any at all. As a matter of fact, Madam

Speaker, I will not let them distract me. So that the yearly cost of the HDC programme in 2015 was \$1.75 billion. We have not been able—we do not have the funds from taxation on incomes and profits and other sources of government revenue to spend at that level. I can tell you in 2017, this Government spent \$1.27 billion; in 2018, \$1.21 billion; and 2016, \$807 million, Madam Speaker. And that is the cost of the housing; that is the cost.

I am simply giving this information, Madam Speaker, to show that significant funds are required in order to continue the Government's housing programme. HDC has told us that it has a budget of \$1.8 billion per year which is what they need over the next several years to complete their development programme, to complete ongoing projects, to complete houses under construction, to complete projects that have been approved for construction, to acquire land for new projects, to construct infill housing on existing housing estates, and to do refurbishment and retrofitting. The figure given to us at the Ministry of Finance is \$1,828,000,000, is what the HDC has told us they require over the next year in order to continue the housing programme to deliver houses at an affordable price to the population of Trinidad and Tobago.

But in terms of revenue, Madam Speaker, the mortgage conversions and rental and so on and sales, the HDC revenue is significantly below that. For example, when the former administration expended \$1.75 billion, or committed to expend because we inherited a lot of debts, that 1.75 is in fact expenditure and commitments made by the former government in 2015, that 1.75 billion. The revenue of the authority was only \$554 million. So there was a shortfall in 2015 when you had those expenditure and commitments of \$1.75 billion for HDC housing of over \$1 billion, Madam Speaker, \$1.3 billion shortfall in funding for the HDC's construction programme.

In 2016, the HDC's revenue was \$479 million, and in 2017 there was an aggressive push on mortgage conversions, and I must congratulate the Housing Development Corporation for this [*Desk thumping*] because when you look at mortgage conversions, mortgage conversions in 2015 was only \$31 million under the last government. Under this Government, mortgage conversions in 2016 rose from \$31 million to \$166 million, and then in 2017 they rose again from \$166 million to \$350 million in 2017. [*Desk thumping*]

So the HDC's revenue grew from \$554 million in 2015 to \$884 million in 2017 because of a push towards conversion to mortgages under this administration. But it is still not enough. When I look at—the revenue went up to 884, but the expenditure and commitments are of the order of \$1.8 billion, Madam Speaker, so that the shortfall is between eight and \$900 million a year if we had continued the momentum for public affordable housing, HDC housing, in this country.

[MR. DEPUTY SPEAKER *in the Chair*]

Mr. Deputy Speaker, those of us who are parliamentary representatives will know that one of the most significant requests made to all of us as MPs is for housing. When people come to see you in our constituency offices there are certain categories that you can tick off; employment, housing, sometimes housing is before employment when people come to see you and so on. And that is because there is a need, Mr. Deputy Speaker. There is a need and a responsible Government has to deal with the demand and the requirements of the population.

So we are launching this amendment to the housing bond Act and I can tell hon. Members now that the housing bonds will be at attractive interest rates. One of the interest rates that we are considering is similar to the NIF Bonds where you got 4.5 per cent over a five-year period. That is the kind of range we have in mind, Mr. Deputy Speaker, for the first issue of HDC Housing Bonds. We are still

looking at whether we should issue two series, three-year and five-year because there will be some people who would prefer a shorter time frame for their investment and others would be prepared to save over a five-year period. But we are looking at 4½ per cent for the five-year bonds and maybe a little less than that for the three-year bonds. But this will still be significantly more than what is offered in any other form of investment outside of the National Investment Fund, NIF bonds, which was an innovation of this Government.

So that we expect over time, Mr. Deputy Speaker, because this requires a lot of education to the population to get them to understand that when they invest in these bonds, not only will they be getting attractive interest rates over the period that they are saving, so that at semi-annual periods persons will receive their interest on the bonds as they continue to save. They can reinvest the interest in the bonds, or they can take the interest for their expenses and so on. And in addition to getting the interest at attractive interest rates, they will be able to accumulate savings which they can use for a down payment for an HDC house. Because as I said, that is one of the main challenges that I can speak as a Member of Parliament, many of the people who come to me cannot raise the down payment for an HDC house, because they are simply at the lower end of the income level in this country, Mr. Deputy Speaker.

So that this is not a complex Bill, it is simply adding a new category of bonds called HDC Housing Bonds to the original existing Government Savings Bonds system. These bonds will be issued in the near future as soon as this legislation is debated and passed in the other place. The Minister of Finance will make the necessary regulations indicating the tenor of the bonds, the interest rate, where persons can purchase bonds, because we intend to make this as simple as possible for everybody. So there will be a number of authorized agents, primarily

banks and so on, who will be authorized to sell these bonds on behalf of the Government, of course, the HDC itself may be eligible for this, so that the availability of the bonds will be made easy for people and we intend to go on a marketing and education programme to encourage people to save towards the purchase of their own home. Mr. Deputy Speaker, I beg to move.

Question proposed.

Dr. Roodal Moonilal (*Oropouche East*): Thank you. [*Desk thumping*]

Mrs. Persad-Bissessar SC: Welcome back. [*Crosstalk*]

Dr. R. Moonilal: Thank you very much, Mr. Deputy Speaker, and thank you very much colleagues on this side of the House for the warm reception.

Mr. Deputy Speaker, it is a pleasure to speak—well, let us begin to say it is a pleasure to speak. It is a pleasure to speak and particularly on a matter of such grave importance to ordinary citizens of Trinidad and Tobago and a very important sector in the national economy. The speaker before me, the Minister of Finance, in piloting this measure, I think took all of about 29 minutes to pilot what the Minister indicated was a one page Bill. But Mr. Deputy Speaker, just to take a note that the one page of this amendment Bill involves a billion Trinidad and Tobago dollars. It is the most expensive page ever as an amendment. [*Desk thumping*]

So the Minister spoke, and just to cover a few issues, raised the issue of course of the plight of the sector, the housing sector, the challenges facing the Housing Development Corporation, told us about the problem with revenue for the housing sector, the HDC, and of course, rooted his argument and his position on the role of the HDC as being very pivotal to this initiative. And to some of these issues I will respond as I proceed. And, of course, spoke about the very importance of education and marketing this type of initiative by the Government at this time in our national development, given the crises we face in every sector, and

the confidence.

Mr. Deputy Speaker, in reading this amendment Bill, it is very, very important that one refer as well to the parent Act, Government Savings Bonds Act, Chap. 71:41, and study the amendments in the context of that Act of Parliament, particularly as it relates to the areas that we are amending. One of the key areas here in dealing with this matter is that citizens of Trinidad and Tobago, whether they be ordinary citizens, potential bondholders, whether they be institutional investors, whether they be the professional class of people, and so on, there are a lot of questions to ask. So the presentation really focused on questions that would arise, and I am sure the Minister in his winding-up will want to respond to some of the questions that would necessarily arise because this is no ordinary bond scheme.

Normally, Mr. Deputy Speaker, when governments, all governments, participate in this type of economic activity, raising funds through a debt security instrument like a bond, it is normally, you know, the purview of—the financial banking community will comment a lot, will understand those issues, will understand sometimes, Mr. Deputy Speaker, some of the more technical and financial issues arising out of bond security instruments, and the challenges, and the management, and of course, the regulatory environment for such an initiative. But this today we are dealing with an issue which really touches and concerns ordinary people, whether it is the attendant at the gas pump at the gas station, it is a worker at a fast food outlet, you know, toiling all day for a few dollars in the evening, you know, whether it is for the taxi driver. Because for housing, we often remind people that you have what could be over 175,000 persons on a database for housing and to satisfy that is indeed a big challenge of any and every government, and different governments will, of course, have different initiatives and so on.

Mr. Deputy Speaker, the use of housing bonds have also gained currency

across the world and particularly in some of the Commonwealth areas that we look at: the United Kingdom, Australia and, of course, in the United States, and so on. And these—the emergence and the incidence of running or floating these bonds, would have to do, as the Minister indicated as well, on financial constraints. Because you have to provide what is called in other jurisdictions “social housing” and because you have to provide social—“subsidized housing”, we call it here, you have to raise money. And the traditional way of raising money, of course, is direct transfers from the Treasury or you borrow in the commercial sector, you borrow from the banks.

So in the United Kingdom in particular, the United States, the state of California we have looked at quite recently, 2018, they would float these bonds because it will help you to get cash. So in a simple way this is really a scheme to raise money, to get money—

Mrs. Persad-Bissessar SC: Borrowing.

Dr. R. Moonilal:—and it is borrow, it is borrowing, it will go as a debt, because the Government through the institutions, and we will come to that in a few moments, they take money from the pocket of people and they borrow that money and tell the people, “Look, after five years”—in this case—“you can come and take your principal repayment and we have now interest payment for you”. So that is your borrowing, you are borrowing money. This has serious implications as well for the debt stock and I believe other speakers on this side will address that matter specifically, the implications on the debt, because it is a huge borrowing at a time when the Government “cry down” borrowing in the energy sector, indeed dismantled that sector because of borrowing and the debt that was created by former administrations in 2008. Mr. Deputy Speaker, so the debt is a big issue here, the amendment came to this in 2016, the Minister indicated in 2016, I believe

it was, that we had moved from 300,000 and two billion in this matter.

There is also another issue, I just wanted early clarification. In section 2A of the parent Act, it says and I quote:

“The proceeds of sale of tax free housing bonds issued under this Act shall be applied solely for the provision of mortgages to individuals for the purchase of houses where the cost of construction together with the cost of the land does not exceed two hundred and fifty thousand dollars.”

Now that was amended. We would just like to get the reference for the amendment and what it was amended to, because some of us were looking but obviously it had to be amended it is just to find the necessary amendment in what could be a finance Act of some kind.

Mr. Deputy Speaker, the approach of the Government is to ask persons, individuals and corporations, institutional investors, to invest with the Government to build house—to build homes, and that money will go to the HDC. Today, the Minister kept, and I took note, seven times in that short 26-minute speech or whatever, told us that the HDC is the centrepiece of this. They will be building the homes, they will be handling the mortgages, in collaboration I imagine with the TTMF and they are the centrepiece of this business, the HDC.

So what happens in a nutshell again, and I like to speak in more simple ways so ordinary people can understand, is that you are asked by this instrument called a “bond”, buy bonds, and the minimum you can pay is \$5,000, but you can buy as much as you want once it is divisible by five. So you purchase, you can buy \$100,000, \$200,000. The first issue is, is there a cap? Is there a cap on purchasing the bonds? In some schemes they put a cap so that you do not allow individuals or institutions for that matter to just by monopoly pounce on a sector, and this sector involves real estate, this involves critical real estate in this country, and you do not

allow individuals and/or institutions to pounce on a sector by overbuying, over purchasing these bonds where there is no cap as to how much you can buy. You can indicate that.

But, Mr. Deputy Speaker, let us get the same example of one person. One person would use \$5,000, buy bonds. We are told that this is at an interest of 4.5 per cent. So at the end of the year, I believe that interest is annually—is it?—I think it is annually. You get 4.5 per cent of \$5,000 is? The Member for Caroni East will tell us it is \$200 or so. So at the end of the year, you have \$200 in interest. That being tax free is of no help to a low wage, low income worker, because that person may not even be captured for tax purposes.

So the tax free nature helps the large investor, that is the first thing, not the lower person. So \$5,000 you go there. How it works is that you buy your bonds \$5,000 every year you get \$200 at the end of five years you get \$1,100 more or less. So it is \$1100 you are getting after five years tax free because you will get back the principal repayment of your \$5,000. That allows you—you are paying for preference; is a pay for preference scheme. So by buying this \$5,000 in bonds or more, you somehow jump the queue at the HDC, assuming that you qualify for housing, [*Desk thumping*] assuming that you qualify for housing not only at the point of buying the bonds, but at the point when it is mature, when you are ready to redeem it for mortgage financing purposes, you qualify. You jump a queue. Now, there is a fundamental issue that I would like to raise with that, is that to what extent does that represent an equitable system for provision of social housing? [*Desk thumping*]

Mr. Deputy Speaker, over 50,000 persons have lost their jobs since 2015 thereabout. Many people have lost their homes. Petrotrin workers have lost their homes. People have lost their jobs. First to begin the paradox is I “doh” know

where we will get the individuals who can cough up 5,000, 10,000, \$50,000 to buy bonds. The Member for Naparima has some insight as to where that will come from. So, Mr. Deputy Speaker, that is the first challenge.

With the second challenge, of course, is that should we be proposing a system where it is pay for preference? You pay to play. So you buy bonds and you jump the queue. So the man or the woman who is waiting 15 years for an HDC house, and we had a programme, Mr. Deputy Speaker, called “It’s Been a Long Time Coming” and, Mr. Deputy Speaker, there was a fella by the name of Trevor Dell, I would never forget his name so long as I live, and even after, he came and he was waiting 45 years or so. It was my age at the time. He was waiting from the moment “I born” to get a house. And that programme, “It’s Been a Long Time Coming”, was for persons who have been waiting for over 10 and in some cases over 15 years for social housing.

Now, should your programme of bonds also favour persons who have been on the waiting list for so long? Or should it just be that anybody comes you apply last year and you say, “Listen, we are buying \$100,000 in bonds,” and I jump the queue? When five years come I say “Okay, I am ready to redeem now, look my bonds”. I hand it to the HDC and I get a deduction, I think, in the mortgage financing arrangement. And that is a fundamental issue of equality of treatment. That is an issue I would ask the Government to consider, because in other bond schemes, Mr. Deputy Speaker, this has worked in several parts of the world where they implement this, they actually target the type of people that it is for. It could be specifically for low income applicants in the United States because of their own, you know, structure of their politics and their own nature of their society. Some of these bonds are raised for moneys for homes for veterans, military people. Some for farm workers—

Mrs. Persad-Bissessar SC: Police officers.

Dr. R. Moonilal: Police officers. In fact, in another case I was reading, when you raise money this way for social housing it is for persons 35 years and under for persons to access housing at an early stage and so on. That is not the issue. The issue is, should we have this system that the Government is proposing today that you just pay to play? If you have the money, buy the bonds and you jump the line over everybody. [*Desk thumping*]

There is a risk that you can create a system where persons who have the resources can be financing other people to buy bonds and one person could end up with 25 HDC homes that they then become a landlord and renting HDC properties. [*Interruption*] But what I am saying is that you have to put the regulations and the safeguards in place so that persons are not buying bonds because they will access an HDC house through someone else who is qualified, because you still have to face the HDC and be qualified. And maybe some more thought, when I read this the first time, I thought in principle, let me make the point very clear, and we agreed on this, I thought in principle nothing is wrong with a housing bond, I “doh” know to what extent saving, but a housing bond, but it needs to be done in a particular way where you meet the test of equality of opportunity and particularly for social housing, low income workers, low cost housing. [*Desk thumping*]

Mr. Deputy Speaker, this matter came on the national agenda, I think, in a bold way by the last Budget Statement of the Minister, 2018 October, a famous budget statement. And, Mr. Deputy Speaker, we are now, how much?—two weeks away from the reading of the budget. And it is interesting that they come quickly before the next budget presentation. So when we listen to the Minister in about 14 days they will break down the table, you know, because they have done it. But they have come to the Parliament two weeks before with the legislation. That being so,

Mr. Deputy Speaker, this legislation, I put it to the Minister, needs to be thought out properly.

The other major issue I want to raise “early o’clock” is, Mr. Deputy Speaker, these amendments as well speak to two areas in which there is a moment in the thinking. When this Bill was introduced in the 60s and developed over the 80s there was a concern that it was bonds to be purchased by individuals, non-transferable. So that you purchase your bonds, you have your home in tact, you can access housing. It was not meant to be for corporations, it was not meant for the economic elite. Today the Minister brings an amendment the effect of which is to give the Minister power to transfer—

Hon. Member: Wow.

Dr. R. Moonilal:—to transfer bonds. [*Desk thumping*] Now let us be very clear, Mr. Deputy Speaker, while we talk about individuals here, we are talking about individuals, bonds for individuals, it must be very clear that the individuals cannot raise a billion dollars in bonds. Individuals in this country and persons on the application list at the HDC cannot come up with a billion Trinidad and Tobago dollars. So the policy that the Minister outlined earlier this year, I believe in May, is that they will invite individuals and the rest will be taken up by institutional investors.

You see, Mr. Deputy Speaker, they were all over the country quarrelling when this Government of the People’s Partnership, when the Member for Siparia had the vision to use other state enterprises for social development. We were using the NGC and other state enterprise for social development. They complained. Today they are involved in picking the pocket of the ordinary people and using the same state enterprises to finance housing. [*Desk thumping*]

So what is wrong that NGC financed sports grounds throughout the country

for persons, sporting facilities? But today these institutional investors will be banks, insurance companies, pension funds, state enterprise that make profit, you think of Unit Trust, you think of NGC. They will buy into this, because the individuals cannot come up with a billion dollars in bonds that way. It will be after a while and we estimate that 40 per cent will be individuals, 60 per cent conservatively will be institutional investors.

Look at the effect now. The Minister now aggregates onto himself this power to transfer. What happens when—I am using just as an example—NGC buys \$300 million or \$100 million in bonds, and they decide to transfer on the secondary market and they go to private players who are already gaming in that sector. Whether it is Scotia Bank, whether it is some private commercial bank, they will now capture state real estate and have control over the real estate of the State by that power that the Minister is giving himself. So I want to put you on notice immediately that we will table an amendment to delete that provision that gives the Minister the right to transfer. [*Desk thumping*]

2.45 p.m.

Mr. Deputy Speaker, there is another issue here in the amendment that I want to touch, again. The Minister comes, again, and is removing from the parent Act, at 3:

“(b) such other sums as may from time to time may be specified by resolution passed by both Houses of Parliament.”

So here it is, Mr. Deputy Speaker, the purpose of a debate on anything is to bring accountability and scrutiny to government policy. [*Desk thumping*] That is the purpose of debate. We all know the Government has the majority, so at the end of day, the Government will have its way, but the Opposition, generally it will be the Opposition, will speak on issues, raise questions and there will be accountability in

the public space.

Today, the Minister of Finance, I think reeling from some personal crisis that he finds himself in, the Minister of Finance is now asking the Parliament to remove this provision of resolution passed by both Houses to put into the law now delete:

“the words after the word ‘by’”—there is a typographical error in reading this, but that is small—“and substituting the words ‘as may be specified by the Minister by Order’.”

So ministerial order will now change, create change now from sums, from moneys, from bonds—

Mrs. Persad-Bissessar SC: To increase the borrowing.

Dr. R. Moonilal:—to increase borrowings—

Dr. Gopeesingh: It might go to \$10 million.

Dr. R. Moonilal:—without parliamentary scrutiny and approval. Mr. Deputy Speaker, we believe this is wrong, [*Desk thumping*] we believe it is an attempt by the Minister, and it is unacceptable to assume a great power over millions, hundreds of millions of dollars and billions of dollars. [*Desk thumping*] The Minister ought not to have this power, and we propose to delete that provision in the amendment Bill [*Desk thumping*] to return to resolution passed by both Houses. The Minister should spend some time and try to defend his private matter there. Mr. Deputy Speaker, let me move on.

The issue is a savings bond as well and, Mr. Deputy Speaker, this as I said, came in May 2019, the Minister spoke about these amendments; that has implications as well.

Now, there is an interesting point here to raise. Now, I am—I do not know if I am happy or I am scared that the HDC is at the centre of this matter. Mr. Deputy

Speaker, this is an HDC that could not—well, let me start over again. Mr. Deputy Speaker, I am angry that the power to deal with this matter, to deal with this bond issue, to treat citizens on an equal footing to work with the TTMF over this bonds issue where people are spending millions and millions of dollars, will be left to the board of the HDC. That is the board that “sell out de country” and their interest [*Desk thumping*] in a recent contract. And, Mr. Deputy Speaker, how could we, because the issue is that when you raise bonds, a critical ingredient of any programme to float a bond is confidence. It is critical, when the banks do it, it is the same thing, it is critical. If you have banks that just lack all confidence in themselves, they cannot float anything, they cannot float a tube, they will sink; this is confidence.

Mr. Deputy Speaker, I am not exhibiting anything here, Mr. Deputy Speaker, because I do not have permission to do that, but I have on my desk, July 13, 2018, one Newman George signing away, signing away the patrimony, signing away the interests of Trinidad and Tobago [*Desk thumping*] in a framework agreement. It is here in a framework agreement, and we are asking the same Newman George to go now and preside over a billion dollars, over a billion dollars [*Desk thumping*] in spending on a bond. This man should walk the plank. Mr. Deputy Speaker, this same chairman of HDC has been appointed to Guaracara and Paria Trading that involves billions of international deals. [*Desk thumping*] What will happen to us? And this man, Mr. Deputy Speaker, there is a nexus which I will come to because I know my friends next door they are grabbing the Standing Orders as I speak.

Mr. Deputy Speaker, when this programme of bonds was introduced—it is very interesting, when this bond was introduced, it was to build 6,000 homes, it was for low-cost housing, it was a promise to have 3,000 every year from 2022.

Mr. Deputy Speaker, the introduction of the bonds in May 2019, was exact synchronization and alignment with the contract with the Chinese to build the house. [*Desk thumping*]

Mr. Deputy Speaker: Member, I noticed it for the second time, I know you said you did not have permission to display—

Dr. R. Moonilal: Sure.

Mr. Deputy Speaker:—but you are subtly holding it up at certain times. So please, please, please.

Dr. R. Moonilal: Thank you. Mr. Deputy Speaker, if I was subtly holding it up—

Mr. Deputy Speaker: Member, just proceed.

Dr. R. Moonilal: I am reading and, Mr. Deputy Speaker, let me put on my glasses so I do not have to get it to display. Mr. Deputy Speaker, I will leave it on the desk. I am dealing with the framework agreement signed by the chairman, the very chairman that is now in charge of the HDC and will now go to—I think he was promoted, will go elsewhere.

Mr. Deputy Speaker, the contract terms there I am asking, the houses you have to build—because listen, understand what is happening here. This bond, the Minister told us in his speech so I want to just connect back to his speech because we want to be relevant. The Minister told us once this matter is passed in this House and in the other place, they are moving, time to start collecting M-O-N-E-Y. When are you going to build houses? Who is going to build them? Is it the contractors that you owe money to? Who is going to build the homes? Mr. Deputy Speaker, I put it to you that no house will be built at all between now and the general election. [*Desk thumping*] This money will be collected and it will be used for other purposes. There is nothing in this law, and I am asking the Minister, put in the law in the amendment we have before us here, we are asking you to put it here

and we can draft if you cannot do it yourself, another provision that the moneys collected must be used specifically and only to construct homes. [*Desk thumping*]

You see, Mr. Deputy Speaker, the Minister has been around for a long time. The Minister has been around for a long time, he knows what the Bill says. It says that the bonds are to be used only for mortgage financing for homes. It does not say anywhere here that the money collected is to be used to build homes. It says your bond, what you have in your hand, the instrument, is to be used to go to TTMF or HDC and say, “Could you give me my discount on the mortgage because I have bonds”. Nowhere in this Bill says that the money is to be only to construct homes [*Desk thumping*] because you see, Mr. Deputy Speaker, a contract has collapsed here, and in that contract it had to do with sweetheart deals being made with a Chinese contractor that they are now negotiating with behind closed doors and in a way, they are now horse trading to promise other projects if they would give up their rights, their legal rights. [*Desk thumping*] Mr. Deputy Speaker, we know that too and we will have some information on that.

Mr. Deputy Speaker, I am asking: When are you going to build the homes for these people who give you the bonds, who buy the bonds? Who is going to build it? What will be the size of the homes? Is it the same model from the Chinese HDC contract deal where it is \$1,200 a square foot? Where VAT—they do not pay VAT, they do not pay customs duties on equipment, where you put up labour, you provide security and housing for labour, foreign. What are the locations of the housing estates that you propose to build with this money?—assuming that the money is really for housing. At least in the Heritage and Stabilisation legal framework, I think you require some parliamentary approval and oversight, so you will dip your hand in it, but we will know. This way, Mr. Deputy Speaker, when the money goes to the HDC, they can do anything they want with it, the HDC can

decide one morning, pass a board note and do anything.

So, Mr. Deputy Speaker, I am very concerned, given the crash that took place with the HDC, and particularly the chairman must be held accountable, his signature is here [*Desk thumping*] and on the other contract, I believe, it is an official of the HDC signature is there. And this happened, Mr. Deputy Speaker, when someone was the Minister of Housing. In my time you cannot be signing half a billion dollars on a contract and the Minister knows nothing, the Minister knows nothing.

And particularly, Mr. Deputy Speaker, if the chairman is my golfing partner, I expect when we are walking a five par or something, he will tell me that, [*Desk thumping*] we when we come back to the club house, he would say, “You know, Minister, after the drink, you know we signing a \$500 million deal”, I assume that he would do that, Mr. Deputy Speaker. So the Minister of Housing at the time is responsible and must take responsibility and account for this, and account. [*Desk thumping*]

Mr. Deputy Speaker, the other issue is that we need guarantees from the Government, not just for the bonds, but what they are going to build, where they are going to build it, and what is the cost. And this is why I say, when you do bonds like these, you actually work out in detail, this is for 10,000 homes, it is for lower-income persons, it is specifically in these areas, you work it out.

Mr. Deputy Speaker, there is a crisis emerging as we talk, and the Opposition leader has been involved as late as yesterday evening, I think it was, with HDC owners in the Moruga area in Gomez Trace, where they came, Mr. Deputy Speaker, and the Government selected them for housing, and this same thing we want to prevent with the bond. We want to prevent this eventuality where they came, they issued letters and so on, gave persons the assurance that they are

paying one amount of money, one fee, they are paying one for the homes, and then they changed that, Mr. Deputy Speaker, they raised it by over, I think by over 83 per cent, the cost of the housing. They then told them they have to pay a larger deposit on that and, the Leader of the Opposition has taken this matter and may eventually take this matter to court on behalf of the Moruga HDC residents. [*Desk thumping*] So while in doing the bond, in taking moneys from people for the bond, tell them what is the cost of the homes that you can access, and give a guarantee that that cost will not change.

In Moruga, Mr. Deputy Speaker, they increased the houses from \$450,000 to \$625,000, 36 per cent increase of \$120,000. Mr. Deputy Speaker, and they have enormous construction problems and so on, but that has been a crisis in HDC for many years now, enormous problems with that. The residents end up spending enormous amounts of their moneys to do basic minor repairs and refurbishment which the house, you know, needed and—

Mr. Deputy Speaker: Hon. Member, your initial speaking time has elapsed. You have an additional 15, avail yourself?

Dr. R. Moonilal: Yes.

Mr. Deputy Speaker: Proceed.

Dr. R. Moonilal: Thank you very much, Mr. Deputy Speaker. [*Desk thumping*] So the point I am making is that, do not let future housing programmes particularly when people pay down on it through a bond, because you are paying down on a house through a bond, do not end up like the Gomez Trace housing estate, where you raise the money on the people, you raise it by \$120,000, the cost of their homes, where you bully them into paying, where you have not provided basic infrastructural upgrades and so on in the area. [*Crosstalk*] Mr. Deputy Speaker, I do not want to get into the crisis in housing and what we found in 2010 when we

went there, but I know of the challenges that persons will face.

So, Mr. Deputy Speaker, this matter of the trust in the HDC, the HDC in the aftermath of this collapse of this contract, their confidence is at an all-time low, and I am not sure that ordinary citizens are willing to have confidence in the HDC managing now their savings. [*Desk thumping*]

Mr. Deputy Speaker, the use of the Minister having the power to authorize the transfer of bonds is another issue that we would like to immediately flag and I will ask the Minister to look at that.

The other point is this, you have persons buying bonds, you have them buying and, again, I like to get this ethnographic approach to the dialogue, where you use the one man, one woman example. You purchase \$100,000 in bonds. Mr. Deputy Speaker, at the time of buying those bonds you discover that you qualify for HDC housing, but in that five years you are no longer qualified, you get a gift of a house, you have land maybe transferred in your name, you migrate, you leave this country, things are bad, crime at an all-time high, you migrate. You are no longer interested for one reason or another in the HDC house, you have to get back your money and interest. So in a sense, the Government will have to dip their hands in the Treasury or borrow money to pay back the bonds, both principal and interest.

Mr. Deputy Speaker: Leader of the House, please, shorter tones, I will appreciate.

Dr. R. Moonilal: Thank you very much, Mr. Speaker, no problem with that. Mr. Deputy Speaker, so, at the end of the day, because it is a borrowing, the Government has to find money to pay back. So what you avoided in the beginning, you may well have to do in the end, which is borrow money to pay back bondholders because you would have used that money. When the money comes in

in the two-week or three-week window that they use for this, all that money goes to the HDC, presumably, the HDC says “Yes, we start building, let us build some homes,” and the money is gone. So when the bondholder comes five years later and says, “Okay, could I get my money and my interest”, you have to take it from the Treasury or take it from a loan, you have to find it.

So the Government is saying they will not borrow now, but eventually they will have to borrow, because if 60 per cent of the \$1 billion would come from institutional investors, they are not interested in an HDC home in Gomez Trace, they are interested in a rate of return, they are interested in making money from a scheme that allows them to make money.

Mr. Deputy Speaker, there are a couple other ideas that we want to place on the agenda here now. The Government is really clear here in that—and the Government spokesmen have made the point over the years that you believe there is liquidity, liquidity in the banking sector, liquidity even among classes of individuals, you believe really that some people have money and the banks have money, and you have a nice climate for investment, so the Government would like to pioneer that.

There is also a model I saw elsewhere, Mr. Deputy Speaker, with this business, where in raising bonds, maybe less than a billion dollars, I believe, in that case, they targeted investment by pensioners. So you have 100,000 pensioners in this country who will have some type of savings, gratuity and so on, that will make 1 per cent in the commercial banks. You have a small thing put away, you make 1 per cent in commercial banks with that.

If you have that as 100,000 persons, pensioners and so on, maybe you can encourage that class of people to invest so that they get more money on the money they have because they are not working, generally as a pensioner you are not

working, so you want to do anything that you can make fresh money, because if you are dipping into the barrel all the time, eventually the barrel will finish and you will still be alive. So this is something we have seen elsewhere and the Government can consider, because you really ought to rethink this approach of everybody invest for everything and nothing is fixed, nothing is determined, it is just that you are looking for a billion dollars and you get a billion dollars—

Dr. Gopeesingh: And possibly more.

Dr. R. Moonilal:—and possibly more, because the institutional investors will see the rate of interest and they will invest, and particularly if it is Government, state enterprises and so, they may be mandated to invest. So you can take money from the government sector and put into housing in this way, but the group of people, the pensioners, the credit unions in some cases and so on, may have liquidity that you can use, and they may find favour with your rate of investment and with what this—the possibly that they can invest in this, and it is a quick turnover. In fact, the time of maturity here is not 20 years and 30 years and so on, it is five years, it is relatively quick in the scheme of things. Their maturity is coming to an end in a few months as well, I do not think that they have any interest to get [*Desk thumping*] but they have something else to get. But, Mr. Deputy Speaker, the five years fly, and a pensioner in that case and someone else with some savings and so on can easily as a group invest, because once you open this thing up to institutional investors, you will have a situation where you can easily have a concentration of bonds in the hands of the economic elite that will pounce on this sector, and unlike any other sector, real estate is involved here.

And, Mr. Deputy Speaker, state lands—“long time” we had this view that state lands, you know, would be in rural areas and cane field land, and nobody is interested in cane field land, well, in this country people are interested in every

type of land, of course. But HDC has properties, estates, land available to it in very prime locations including Port of Spain, Diego Martin, Tarouba by the Brian Lara stadium and so on, and they are prime property, and you do not want at any time that the private sector and a small group in the private sector has control over that type of asset, that is not something that we support at all.

So, Mr. Deputy Speaker, the key issues here in winding up really, are that the pay for preference, pay-to-play approach is wrong, that it is too general, that it involves not only individuals as was the initial conceptualization of this type of legislation, individuals, this is now bringing in corporate giants, corporate lions and tigers coming in in this sector now, to wolf up all the assets and the bonds and so on.

How do you intend to address that, because if you have no cap on the bonds and the amount of bonds you will buy, the large players will buy large and small players buy small, and the KFC worker, the gas station attendant will be left with their \$5,000 if they can afford.

Mr. Deputy Speaker, I am happy that the Minister in his statement spoke about education and marketing. If ever there was an area in government that requires education, requires marketing, requires talking to ordinary people, it is this, because you expect that the ordinary folk out there who are applicants to the HDC—and today I want to make the point very clear and I hope that somebody is seeing me, that I want to ask the HDC applicants out there, do not get your hopes up high. Do not believe that when this measure is passed, when this measure is just passed, Mr. Deputy Speaker, that you can buy \$5,000 in a bond and in two months' time, three months' time you are guaranteed of a housing unit; it has a structure to go through, it will take some time. The Government and the HDC have to work out carefully what they are doing with this, which area, the classifications because, for

example, someone buys \$5,000 in bonds, they believe now that they could afford a \$750,000, \$800,000 three-bedroom HDC house because “I have bonds”, but it is not so.

And the other important point, Mr. Deputy Speaker, where marketing and education would come in is that, it is not, unless I am mistaken and the Minister made the point I think in interviews, I am not sure if today, it is not—this has nothing to do with the rental part of the HDC operations.

Mr. Deputy Speaker, incidentally when you look at rentals at the HDC some time ago, there was over \$200 million owed to the HDC from renting, they reduced it somewhat, I believe. When the Member for San Fernando East had a sterling, you know, stay at that office, that was summarily removed, Mr. Deputy Speaker, the Member for San Fernando East did a lot of good work and then he was fired. So they reduced the rate in the rental sector, but this is not, unless we are mistaken, this is not a deposit on rental because there are other schemes incidentally in the world where you could actually go for deposit on rental and you could put money and create something where people go into a rental apartment and they stay for two years or so because they pay up front.

Mr. Deputy Speaker, the mass of people in the HDC are really applying to be renters, they cannot afford. So I would just guess, Mr. Deputy Speaker, out of 175,000, assuming that is real, a 100,000 applicants would be for renting, for 100,000 persons will not be buying bonds that way, you are really dealing with 75,000 people. If 75,000 people—if everyone puts 5,000—how much is it?

Dr. Gopeesingh: Twenty-seven million.

Dr. R. Moonilal: No. If everybody puts, it will be plenty. It would be plenty, but it will not be a billion dollars. If 75,000 people put \$5,000 in bonds, it is not a billion dollars, it is probably about \$300,000 or so. So this you are seeing clearly,

the institutional investors coming into the picture and the education and marketing programme must indicate squarely, Mr. Deputy Speaker, that this is not a concrete-clad promise of a house because you buy bonds, but however, you will get back your principal and you will get back your interest, and the Minister of Finance should be making that point.

I know he is very busy issuing statements these days on his private challenges which means nothing, because the date that you got the planning permission was even before you delivered your speech to the Parliament, and did not address the issue of Cabinet recusal I noticed either, but I am sure you will do that in the days to come. Mr. Deputy Speaker, back to the issue.

If the Minister was not as busy as he is with his private scandal and private problems he would have thought out this business in a much more detailed manner, and would have come to the House with a more structured proposal.

Mr. Deputy Speaker, I know the time is coming to an end, let me just say, again, we intend to circulate two amendments to delete those two offending provisions that give the Minister the right to transfer and that remove the resolutions by both Houses of Parliament.

Mr. Deputy Speaker, we are not at all opposed to this concept of the housing bonds, there is a use for it, we are saying that is not structured, it is not properly thought out, and that you can create a lot of unnecessary anguish and chaos and anger. And, Mr. Deputy Speaker, the Minister made a point, I just want to reiterate, there can be no sector—I think the Member for Point Fortin understands now, he understands now why some of us have had to use dye very early in life. You see, Mr. Deputy Speaker, there is a lot— [*Crosstalk*] No, I know that is natural, that is what it says on the box. [*Laughter*] Mr. Deputy Speaker, the people who pressure you for housing can create a—

Mr. Deputy Speaker: Member, you have two minutes.

Dr. R. Moonilal:—a very difficult life. San Fernando East, I believe he had another response to people in San Fernando but they can create a very difficult life. They can create a difficult life for a Minister of Housing, and at no time should we further put applicants—and I want to tell you, many applicants, and I say with respect and love, they are not the ones who will be reading this Bill, they will not be reading the amendment Bill, they will not be even reading the newspaper, you have to explain this thing in novel ways, in community caravans and so on, with different types of approaches so people understand what the bond is about, what they are entitled to, what they can get, what they cannot get and so on.

Mr. Deputy Speaker, the Government, I ask them, please, to use this opportunity, again, not to fire off invectives and attack us on what we did in five years and what you did not do and what—that is nice. They are now on the final lap of their five-year term, they are in their dying days, so much so that they went on a retreat, Mr. Deputy Speaker, you retreat when you are ready to surrender, [*Desk thumping*] and as they come now to the point of surrendering, I just ask them to, please, in the next session you can come back to blaming people when you sit on this side of the House, you can start blaming everybody for everything, but at this time, talk about your solutions, talk about some of the issues raised whether or not you have legitimate answers, whether or not you many want some more time to ponder further this matter, and whether or not you have confidence in the HDC as presently composed and constituted to handle a billion dollars of citizens' money when they collapse a half billion-dollar contract with the Chinese. Mr. Deputy Speaker, I thank you. [*Desk thumping*]

Mr. Deputy Speaker: I recognize the Member for Point Fortin. According to Standing Order 44(4), you have been granted permission to your visual arts

accordingly.

The Minister of Housing and Urban Development (Hon. Maj. Gen. Edmund Dillon): Thank you very much, Mr. Deputy Speaker. Mr. Deputy Speaker, thank you very much for allowing me to join this debate that speaks to what I consider a very simple and a very short Bill, basically of five clauses.

The Bill touches significantly on the people of Trinidad and Tobago, [*Desk thumping*] the poor people of Trinidad and Tobago. You know, as the Member for Oropouche East spoke a while ago, I remember an old Shakespeare phrase that says:

...the eyes sees not itself, but by its own reflection...

And I get a sense that he was seeing this initiative by this Government based on his own perception and looking for all kinds of innuendoes and things in between that.

Mr. Deputy Speaker, this Bill affects the lives of the very citizens of Trinidad and Tobago, and I want to make it quite clear to the Member for Oropouche East who went on and spoke to the fact that it is something that has been used throughout the world, and yes it has been used, it has been used successfully, we are not the first to invent it, it has been used quite successfully, the bond used to offset, to encourage persons at the lower spectrum, access for low and middle-income housing, this is what it is all about.

If one looks clearly at the third clause, it speaks quite succinctly to:

...shall be applied solely for the purpose of purchase of houses from the Housing Development Corporation.

Mr. Deputy Speaker, the Member for Oropouche East went on to suggest that persons are expected to raise \$1 billion. Now, I mean, that is almost ludicrous. When we are targeting low and middle-income persons, we do not expect them to raise a billion dollars. What we are doing, in essence the Bill is doing, is

encouraging people at the low- and middle-income level to be able to participate to own their own homes and their own houses.

The Member for Oropouche East was a former housing Minister and he knows quite well that there are certain criteria. One of the things that this Government did as soon as it got into office was to reduce the earnings cap from \$45,000 to \$25,000. [*Desk thumping*] And we did that so that the people at the lower and middle income would have the access, the majority access to low and income, because one would well understand what happened during the last administration, that people at the upper level were getting most of the access to the homes and so on. This Government decided that we would target the low- and middle-income persons, hence reduce the cap from \$45,000 under the last administration to 25, and that still holds, Mr. Deputy Speaker, it still holds notwithstanding the issue of the bonds. So his charade in terms of raising a billion dollars does not apply. The criteria of being first-time homeowners still applies, so that there is still consistency in our delivery to attract the low- and middle-income persons.

3.15 p.m.

Mr. Deputy Speaker, he went on again to speak to issues pertaining to the HDC board, and what he mentioned a while ago. Let me put it quite clearly, that the Board of the HDC did what they are statutorily disclaimed to do. They were all in accordance with the Act. With the certain issues that he raised and he just threw it out in parts, let me make it quite clear, that this matter has been dealt with, the Cabinet has made a decision to review the issues, and that has been done and that—Mr. Deputy Speaker, it is based on a Government that is based on transparency and looks to protect and ensure that the people of Trinidad and Tobago are being protected and dealt with accordingly.

Mr. Deputy Speaker, today I want to focus primarily on the Housing Development Corporation in terms of our deliveries and how this bond issue will assist us, the Ministry of Housing and Urban Development, in particular the Housing Development Corporation, and in particular, the people of Trinidad and Tobago. The Government of Trinidad and Tobago that we form part, and I will tell the Member for Oropouche East, we will continue to form part, we will continue to stay on this side of the House, because we are the Government of Trinidad and Tobago, and we will continue to deliver to the people of Trinidad and Tobago. [*Desk thumping*]

You see, Mr. Deputy Speaker, one can really fully understand the history of the People's National Movement in terms of providing low and affordable housing to lower income persons throughout our very existence. One can go all the way back to 1964, when the Government's housing policy had been geared towards the mass production of houses at the time. I remember as a young man housing development taking place in—it used to be called “Self-Help” at the time, but it was under a PNM Government that it started; in La Brea, in Point Fortin, in Morvant, in Pleasantville, and we continue as a Government to produce low end income houses.

In 1962, Mr. Deputy Speaker, the PNM Government generated and established a task force in housing, again with the aim in mind to provide low- and middle-income houses for people of this country. So we continue to see the initiatives. The National Housing Authority was established on August the 7th, 1962, by Housing Act No. 3 of 1962, and that authority was created primarily to construct and distribute single family units in developments for lower end and middle income personnel.

Mr. Deputy Speaker, in 2004, the Housing Development Corporation was

formed with a mandate to facilitate provisions of affordable shelters and associate community facilities for low- and middle-income earners. Mr. Deputy Speaker, in order to further assist the citizens, access for housing and even more important, to own their own homes, mortgage interest rates have been steadily reduced and tax incentives were given to encourage home ownership. Again, incentives that were created by this Government, by the PNM Government over time with a focus, always in a focus, always in a focus, and again you can see the nexus between what we have done in our history to what we are doing today, again focusing on providing that accessibility to low- and middle-income earners. [*Desk thumping*]

Mr. Deputy Speaker, this PNM Government, in coming into office in 2015, recognized that there were over 170,000 applicants on the HDC database. Something had to be done and therefore we had to come up with different kinds of initiatives. We could not go down the same road as the previous administration. We had to come with several initiatives, again with the aim in mind to make housing accessible to the people of this country. I mentioned a while ago we immediately reduced the earning cap from \$45,000 to \$25,000, thereby catering again for the lower and middle income.

Mr. Deputy Speaker, notwithstanding our new initiatives which seek to empower persons to construct and repair their own homes, this Government recognized that we have a duty to provide the basic need of man, which is shelter. We have to, Mr. Deputy Speaker. We are cognizant of the fact that there are a number of people in our country who require the basic shelter, and this is what we are all about and hence the reason for the initiatives of these bonds today and that is why the figure is so attractive. We are talking about \$5,000 deposit. It is pitched deliberately to treat with the person at the lower spectrum of earnings in Trinidad and Tobago.

Mr. Deputy Speaker, the Government is committed to the creation of wholesome communities with the provision of affordable, well-designed, recreational spaces, designed houses and commercial centres for low and middle income. I am stressing low and middle income. You will hear me repeating that because again there is a nexus between that and the issuance of bonds. You know, the Member for Oropouche East mentioned people will be skeptical and so on, and if you recall, Mr. Deputy Speaker, when the Minister of Finance laid the NIF in this House there was a lot of skepticism on the other side, a lot of skepticism on the other side. You know what happened, Mr. Deputy Speaker, the NIF was oversubscribed. [*Desk thumping*] It was oversubscribed and I am seeing a similar kind of sentiment coming and I can assure you there are a number of people in this country who would jump to the occasion presented by this Government to involve themselves in this bond. Mr. Deputy Speaker, I can assure you that this would be the case.

Mr. Deputy Speaker, the Member for Oropouche East in his talk sort of slightly talked about, what has this Government been doing? Mr. Deputy Speaker, when we came into office there were so many stalled projects that we had to restart, left under by the last administration. There were so many stalled projects. As a matter of fact, there are almost 1,900 plus stalled projects that we encountered when we came into office. To date we have restarted 785 of those units and another 1,700 are under construction.

So we had to spend a length of our time, we had a number of our time dealing with developments that the last administration just abandoned; just abandoned throughout the length and breadth of Trinidad and Tobago. In Point Fortin, in Corinth, you could name it, Mr. Deputy Speaker, several of the developments were just left abandoned for whatever reasons they had; left

abandoned. So we had to restart those projects and we have done that, we have done that quite successfully in a number of ways that I mentioned a while ago.

And to date, again, we have heard from time to time the Member for Oropouche East saying that the Government had not built a single unit. Well let me tell him that we have delivered to date, Mr. Deputy Speaker, 2,264 units [*Desk thumping*] to the people of Trinidad and Tobago; 2,264 units to the people of Trinidad and Tobago. And I want to correct another misinformation that is outside there, another misinformation, and most of the time articulated by the Member for Oropouche East. I have heard him from time to time that this Government has not built, has not started a single development in Trinidad and Tobago. Well let me correct that information today. We have started 13 projects, 13 projects by this Government [*Desk thumping*] since they came into office with a yield of 1,888 units. [*Desk thumping*]

Dr. Moonilal: 48(1), I did not say that today. He is responding to something “I say somewhere”. 48(1).

Mr. Deputy Speaker: Overruled.

Hon. Maj. Gen. E. Dillon: Thank you, Mr. Deputy Speaker. [*Crosstalk*]

Mr. Deputy Speaker: Silence. Silence! Proceed Member.

Hon. Maj. Gen. E. Dillon: Thank you, Mr. Deputy Speaker. I want to repeat it, Mr. Deputy Speaker, for the people of Trinidad and Tobago, for the benefit of the people of Trinidad and Tobago. Since this Government came into office we have started 13 projects, and I can call them, I can call them for the benefit of the people of Trinidad and Tobago. Carina Gardens, formerly known as River Runs Through It started August 2016 and completed and delivered; [*Desk thumping*] Bon Air, Arouca, September 2016, completed in June 2019; Malabar site, started under this administration in June 2017, completed, May 2019; Riverside North San Fernando,

started under this administration, June 2017, and I can go on and on. There are 13 such projects for the people of Trinidad and Tobago that this Government has started and we will continue to do so. So when I say that, Mr. Deputy Speaker, it is to show the people of Trinidad and Tobago that the bonds, the nexus between what I am saying and the delivery of these bonds is for us to be able to, again, deliver much more in terms of the housing stock to the low- and middle-income people of Trinidad and Tobago. [*Desk thumping*]

Mr. Deputy Speaker, when one looks at right now at the average cost of construction; the average cost of construction of the HDC normally ranges from about \$400,000 for a two bedroom single family unit to \$750,000 to a town house. When you put that together with what this Government has done in terms of reducing the interest rates for people who have income up to \$14,000 and then from \$14,000 and above—up to \$14,000—they can now access a 2 per cent interest rate from the lending institution. This again was done by this Government. So you are looking at a reduction in the interest rates, 2 per cent up to \$14,000 and 5 per cent over \$14,000, with houses' ranges between \$400,000 for two bedroom, \$750,000 for a town house and so on, again making it more accessible to the low- and middle-income persons. And again I am drawing a reference that persons who are involved in the bond accessibility will again benefit based on what I have just mentioned in terms of the cost of houses, targeting once more the low- and middle-income citizens of Trinidad and Tobago.

Mr. Deputy Speaker, this Government is not wasting taxpayers' money, it is not wasting by leaving projects unfinished or incomplete. We intend to complete every single project between now and next year and we will continue into 2021, 2022, 2023, because we will still be the Government [*Desk thumping*] in power. We intend to complete every single project and again ensure that every single

house that we build will be occupied by the citizens of Trinidad and Tobago. Not a house will remain vacant, Mr. Deputy Speaker, we intend to do that. So hence the reason why it is so important and I want to congratulate the Minister of Finance for the initiative, [*Desk thumping*] for ensuring—I want to congratulate him because what he has done by laying this Bill here today is to show the people of Trinidad and Tobago that once again the Government has their interest at heart.

Mr. Deputy Speaker, the Member for Oropouche East mentioned terms about the delinquency rate. HDC has been aggressively pursuing that exercise and to date we have reduced that tremendously, the delinquency rate in terms of rentals and so on, again increasing the revenue stream for the HDC. The Trinidad and Tobago Mortgage Finance Company has, based again on discussions with the HDC has looked at in terms of conversion of mortgage from licence to occupy and rent to own to conversion. Again, aggressively pursuing—so that the HDC is not sitting by not doing anything. They are there aggressively looking at generating revenue from the many developments that we have across the length and breadth of Trinidad and Tobago reducing delinquency, converting mortgages from rent to own and licence to occupy. So that they are not sitting down there as the Member for Oropouche East may have alluded, just sitting there waiting for this bond development. There are several initiatives that are taking place that the HDC has been executing and so the bond, as we go ahead in dealing with the Bill, is just another such initiative to contribute among others in terms of, again, making homes available and accessible to the people of Trinidad and Tobago.

Other initiatives have, such as the public/private partnership programme which again in that programme, for instance, there are three private construction firms that are providing their own finance, designs and build right now within Trinidad and Tobago. One so far has delivered 60 units, another 400 and

something units are available to be delivered. The Home Construction Incentive Programme is another programme again that the HDC has introduced. So there are several initiatives all geared towards making homes accessible and available to our citizens at the lower and middle income of Trinidad and Tobago.

Mr. Deputy Speaker, another initiative again in terms of the Housing Construction Incentive Programme where the HDC would either provide—the State would either provide lands or the developer will provide lands, and the developer has received a cash incentive of \$75,000 on a unit selling price of more than \$550,000, and a cash incentive of \$100,000 on a unit selling price of no more than \$750,000. Again, incentive provided for the development in Trinidad and Tobago to get involved, to partner with HDC.

I am saying all of this, Mr. Deputy Speaker, to show that the issue of the bonds is not by itself, there are several initiatives all geared towards assisting the citizens of Trinidad and Tobago with low and middle-income. So the Member for Oropouche East cannot just look at the issue of the bonds. He has to look at all the initiatives that are being done and all targeted towards the betterment of our citizens of Trinidad and Tobago.

Mr. Deputy Speaker, when we look at the Bill in itself, the Bill currently being debated has been included to increase the momentum of the housing construction. There is no doubt about that. It will increase the momentum of the housing construction. As I mentioned a while ago there is still the criteria in terms of first time homeowners; there is still the criteria in terms of the \$25,000 earning cap and so on. But what it gives is that the average person in those brackets an opportunity to deposit \$5,000 this month, another \$5,000 next month, another \$5,000, so that they can build up and that will allow them in terms of a down payment of mortgage solely as is mentioned in the Bill in the third clause:

“...solely for the purpose of purchasing”—of homes.

It is quite clear, quite clear what the bond can be used for. And it is a win-win situation. It is a win-win situation. It allows those who cannot accumulate a down payment outright to save gradually. As I said a \$5,000 this month, a \$5,000 next month, a \$5,000 the month—and they can build up and therefore it puts them in an area when they can access and be looked at in terms of housing. Without that it is difficult for them so to do, because there are some people who cannot accumulate a \$40,000, or a \$35,000 in one go; they have to save. And what we are doing is encouraging them, we are actually encouraging those people, the young, those who are of lower income, we are encouraging them to get into the window by the bond, Mr. Deputy Speaker. I can assure you that this bond will also be oversubscribed just at the NIF was. I can certainly assure you that.

Mr. Deputy Speaker, the intention is to introduce funding into the housing programme, no doubt about it. Because, there is no way, and I can throw it out to any Government throughout the length and breadth of this world, can generate the funds to satisfy the entire housing stock in Trinidad and Tobago. There are 176,000-plus persons on the data basis; 176,000-plus individuals. There is nowhere the Government by itself, especially in these stringent economic times, can build those houses. There must be a partnership, there must be an initiative, there must be different creative ways to be able to bring solutions to those 176,000-plus. And while it is 176,000 today, even if we move 10,000 tomorrow there is another 10,000 will come on stream because younger people are coming on stream. So it is never ending. And so the Government must find creative ways, must be able to find creative ways—and so again I congratulate the Minister of Finance, to come up with this, to understand the needs of the people of Trinidad and Tobago, and so find a way, which he has done, he has done that quite clearly, Mr. Deputy

Speaker, utilizing the Act as mentioned and therefore provide that opportunity for the persons solely for the purchase of homes from the HDC corporations.

And it is a bit of semantics by the Member for Oropouche East when he talked about the HDC will be receiving the funds. We know how mortgage goes, it is through the lending institutions. It must go to the lending institutions, whether it is the TTMF, whether it is Republic Bank, whether it is the credit union, whatever the banking industry it is, it must be through them. So the question of the HDC collecting is out of the question, Mr. Deputy Speaker. It must go to the lending institutions.

So, Mr. Deputy Speaker, the housing corporation bonds, which would be a new category of bonds in the Government Savings Bonds Act as mentioned by the Minister of Finance would be a tax free instrument issued for the sole purpose of enabling individuals to purchase Housing Development Corporation homes. That is the sole purpose. That is the sole purpose of the bonds, to allow people to purchase homes from the HDC. And as I mentioned a while ago, just as we have done so far in starting and finishing projects, we will continue to do so. We will continue to start and develop and produce housing for a low- and middle-income person.

Another key amendment to the Bill, Mr. Deputy Speaker, is that the total value of the bonds will be increased from the two billion to the three billion. The Minister of Finance mentioned a while ago that with respect to the HDC in terms of budget wise, there is in fact a request for almost \$1.9 billion that we utilize on a yearly basis if we are to really deliver in a housing stock, \$1.9 billion is what is required; our annual budget in terms of our affordable housing programme, \$1.9 billion. So that again by raising the amount, it gives us that kind of opportunity. The Bill as I said, while it is short, it has a serious and huge impact on the lives of

the people of Trinidad and Tobago. [*Desk thumping*]

Mr. Deputy Speaker, and I can say quite clearly that the HDC has the ability then to pay its contractors, and I want to commend the contractors. It is a fact that we do owe some contractors and that we have done quite a lot of work in reducing the amount that we have owed contractors, thanks again to the Minister of Finance. And we would continue to do so, because there is a partnership, there is an understanding between us and the contractors who continue to deliver HDC properties throughout the length and breadth of Trinidad and Tobago.

Mr. Deputy Speaker, the Housing Construction Programme can be accelerated and that I am certain we can meet the demand based again on this initiative to introduce this bond into the economy of Trinidad and Tobago. Bondholders will certainly make significant investment in their future and that is what it is all about, it is a future investment. Bondholders would be pleased with the performance of this bond as they have been pleased with the NIF, as they have been pleased with all our initiatives thus far, notwithstanding the criticism that was levied. We saw the success of the NIF as I mentioned a while ago and I think we will see the success of this bond, this housing development Bond.

Mr. Deputy Speaker, as the Minister of Housing and Urban Development I welcome this initiative. I welcome this initiative and I want to clearly state that I support this Bill 100 per cent, because I am certain and I am sure that this Bill would encourage the low- and middle-income earners of Trinidad and Tobago to participate in the housing stock of Trinidad and Tobago and give a greater access to the housing stock in Trinidad and Tobago.

Mr. Deputy Speaker, once again I congratulate the Minister of Finance [*Desk thumping*] and I can tell you that this Government has once again demonstrated its care, its concern for the low- and middle-income people of

Trinidad and Tobago. Mr. Deputy Speaker, I thank you. [*Desk thumping*]

Dr. Bhoendradatt Tewarie (*Caroni Central*): [*Desk thumping*] Thank you very much, Mr. Deputy Speaker. The Minister of Housing and Urban Development emphasized the fact, like the Minister of Finance, that the Bill was short. And he said that it was simple and in some senses it is. But my colleague who spoke before me on this side, the Member for Oropouche East, indicated very clearly that two of the clauses raise difficulties that require some challenge on our side and some consideration from the other side.

The Minister of Housing and Urban Development talked about encouraging people to participate through the bond and that is one of the reasons we support the bond, which is that we feel that it would be good to have widespread participation by ordinary citizens in the country in the bond offering and he said basically that what they intend to focus on, Mr. Deputy Speaker, is on low- and middle-income housing. Now if that were true we would support the bond wholeheartedly, but it is precisely because the way the legislation is worded and because of the things left out there is no guarantee of that that we have some concerns about the five clauses in the Bill.

He talked about stalled projects of the last administration, the Kamla Persad-Bissessar administration and the Minister then, the Member for Oropouche East. I think the Member knows that projects do not start when you enter Government nor do they close when you leave Government. And normally, if you are a working Government, what is going to happen is that you are going to have a number of things completed, as we did in a number of areas, whether it is in health or in education or in road construction or whatever, but you would also have a number of projects completed. There was a time when the Minister of Housing was giving out, I think, keys to about 100 houses a week. But what it would mean

also is that you would have projects that have not been completed and whatever new Government comes into office would continue those projects. I think that is the normal procedure and I think that we ourselves when we come into office at the next election will have a number of projects to continue as well from the other side. [*Desk thumping*]

So the other issue—I just want to correct one thing, my colleague, the Member for Oropouche East indicated to me that the River Runs Through It Project was a project that had in fact been initiated by his Ministry at the time, under the People's Partnership Government—

Hon. Members: No, no, no.

Dr. B. Tewarie:—and in fact the contracts were given out. Those contracts were taken back, that is to say they were cancelled, and new contractors given. If I am wrong about this, it is based on information conveyed by the former Minister of Housing and I can be corrected about it. I myself am simply reporting what I think to be the correct situation on that particular project, not other projects that would have been mentioned.

Mr. Deputy Speaker, this is a short Bill, it is true, but it does raise four important issues that have to do with national development. It raises the issue of the bond itself and the idea of bonds and what they are used for. It raises the issue of housing needs but also housing policy in the country and whether in fact the bonds being used are the appropriate means of furthering housing policy. It raises the issue of debt accumulation because this raises the debt by a billion dollars when the bond is going to be over and it raises the question of the continuing role of the State. And I want to deal with those four issues. I would not be long on any of them but I do want to raise the issues because they raised policy issues and, Mr. Deputy Speaker, that is the position or that is the direction that I will take here.

Now, this is the third bond that will be issued on the local market by this Government. The first bond was an asset-based bond which had to do with the Clico assets which were bundled and raised \$4 billion. Then there was a four-year bond issued earlier this year in February for about \$500 million and this is the third bond now, it is for housing with a target of \$1 billion. The original intended number by the Minister of Finance was stated as 1.5, but they have now agreed on a billion dollars we are told and that has been said. Now this bond was mentioned for the first time by the Minister of Finance during the mid-term review last year, but the Minister had in fact flagged the issue of housing before. He had raised the issue of the waiting list and the number of houses that were demanded by how many citizens, et cetera, and then he took the opportunity to mention that he would come with this initiative in the mid-term review.

3.45 p.m.

Now, when you offer a bond, it does liven up the market a little bit, and that does not mean, though, if you liven up the market, that the financial sector in Trinidad and Tobago is a rock of stability. Now, we have a strong financial sector in Trinidad and Tobago. I want to say that. I am not saying that the sector is weak, but I do want to say that one has to be aware and alert to what is happening in your economy as things evolve, both externally and internally. So if we take a look, for instance, at page 47 of the Financial Stability Report 2018, of the Central Bank, it focuses on three things: “Vulnerabilities”, “Key Triggers” and “Risks”, and I will get to that. And when you take a look at the last Article IV IMF Report which comments on the financial sector, on page 17 of that Article IV Consultation Report, the IMF says, and I quote from it:

“An increasingly complex and interconnected financial system within and across borders, cross-border presence of banks and insurance companies,

and gaps in the oversight framework for credit unions and mutual funds call for careful monitoring of systemic risks.”

So this is the IMF in April 2018 simply signalling that one has to be very cautious about how you manage the financial sector. And this is the Central Bank now, in their report, which is very recent. It is the Financial Stability Report of 2018. I cannot get the month here but it is very recent, and they talk about vulnerabilities, and I would just mention them. On the “Vulnerabilities” side they talk about:

“Growing household indebtedness”

They talk about:

“High sovereign concentrations in the financial system”

They talk about:

“Keeping pace with evolving international standards on money laundering, terrorist financing and tax transparency”—and—

“Rapid digitalization of the financial services industry”

So they mention those as vulnerabilities. As “Key Triggers”, they mentioned:

“-Sluggish domestic economic environment

-Increasing unemployment

-Rising interest rates on variable-rate loans

-Sharp fall in”—Government of the Republic of Trinidad and Tobago—

“revenue

-Higher domestic interest rates

-Credit exposure limit adjustments

-Loss of correspondent banking relationships”—and possibility of—

“-Cyber-attacks.”

And then on the “Risks” they talk about:

“Deterioration in the quality of consumer loan portfolios”—that is basically

happening now—

“Rise in public sector-related non-performing loans”

“Delays in executing international payments”—and I might add local payments—

“Loss of confidence in digital transformation”

So whatever we are doing, we have to take into account the fact that you have a situation that needs some thoughtfulness, that needs some care, that needs some caution. And sometimes a government, you know, can create the impression that economic activity is taking place. You could have road paving, or you could have road construction, or you could have housing construction as visible indicators that something is happening in the economy, and I hope that this is not the intention behind this particular bond. My colleague, the Member for Oropouche East, said that with this bond they will collect the money but they will not build a single house. I “doh” want to be so unkind, but I do want to say that I hope that the intention is in fact, to build houses for all of these people who need it.

Now, in the Budget Statement of 2019, the Minister of Finance identified 176,000 applicants, and he said these would be subjected—no, I think it was the budget of 2015, actually, that would be the 2016 budget. He identified 176,000 applicants and these would be subjected to due diligence and scrutiny in order to establish a reliable and creditable database. And he talked about innovative solutions and he talked about supporting and increasing the role of the private sector. In that particular speech—and it was, in fact, in 2019; the budget of 2019 which would have been in 2018—he alleges a \$12 per square foot cost during the period 2011/2015, which, by all the information that I can gather, is not true. The cost ranged at that time from about \$600 to about \$850 per square foot, and he claimed that the price per square foot was brought down by his Government, to

\$600. But the contract which the six Ministers were celebrating with the representatives of HDC, Mr. Deputy Speaker, and with representatives of the Gezhouba Group International Engineering Company Limited of China, was a contract to build units at about \$1,300 a square foot. And this is something that we need to take into account when the Minister of Housing comes here to talk about low-cost housing and building housing for those who need it, who are poor.

Now, that contract with the Gezhouba Group has been cancelled. The question is: Is the housing programme still on? And is this the bond that is going to trigger it? [*Desk thumping*] The issue is also, who is going to do it? Where are the 24 communities that the Minister talked about, located? And if the 24 communities remain, is the deadline still 2020 to finish all of this housing? The reason I ask this is because we have to be careful that the bond is not used, especially as it is going to the HDC, to create the conditions for establishing a kind of private state “contract-ocracy”—[*Desk thumping*]

Hon. Member: Word!

Dr. B. Tewarie:—that is tied to the HDC and the billion-dollar payout that would be possible from this if, indeed, the objective is to go for housing construction. And I raise that because it is important to raise it. Because, Mr. Deputy Speaker, we cannot be here, as the Minister of Housing came, and focus on the ordinary citizen who is trying to get a house, and we see that there are over 100,000 of them standing in line, so to speak, and using this bond as an opportunity to tie their ambitions, their aspirations, to the housing market and the HDC, and while we are focusing on that, what is really going on in the background is the award of contracts to people who are specially, or who have special relations with the HDC. And I want to flag that here. I want to raise it here. I want to raise it as an issue because what it raises is the issue of the open tendering process. Okay?

Now, as far as housing goes, we have not seen a lot of housing construction done by this Government. The Minister mentioned a couple of thousand houses. I will not doubt him, but when I look at the state of unemployment; when I look at the cement sales in the country, I do not see a thriving construction market, and these are indicators which point to that. One of the first places in which unemployment is picked up is in construction, and one of the first indicators of construction taking place in a country is sales of cement.

Now, where housing contracts have been given, the issue of transparency does arise. We have had a situation where, in the case of the Chinese contracts, two issues come up. One, it had to be cancelled. Secondly, when the elements of the contract were made public in the press, they became very disturbing to the population. And the third thing is that in many of the constructions that are taking place, other than that particular contract, we do not know what is the process by which these contracts are done. Now, a case can be made that Government's strategy for housing aligns with a political strategy as well, and I think that that is something I want to raise here because it is important, because this is public money. This is the money of citizens and the intention is to build homes for people, citizens all over the country, and the intention must be social, in my view, and not political in intent.

Now, some of the houses that have been given out, as the Minister himself indicated, were houses started by us and finished by them, which is not unusual. That is the normal process for a government. And where new houses have been constructed, as in the case of Moruga, we have a situation such as the one raised by the hon. Member for Siparia and Leader of the Opposition which, in fact, raises questions about the original contracts entered to with these citizens; secondly, the variation of cost; and thirdly, the issues of quality which she raises.

So I think that those issues having to do with housing are important issues for us to address as a Parliament, and I hope that some Member on the other side, if not the Minister of Finance, will respond on some of those issues. The other issue is the issue of debt. I said that one of the issues that arises here is the issue of debt. In the last four years we have had an increase in the debt stock of about \$23 billion. We are now at the highest level of debt that Trinidad and Tobago has ever been, about \$100 billion. We are at the highest level of Central Bank overdraft that we have ever been, over \$12 billion. [*Desk thumping*] We are at the highest level of the Exchequer Account in the Central Bank, which is over \$40 billion.

Now, what are the debt servicing requirements of the country now, annually? I wish the Minister of Finance would tell me that in dollar terms and in percentage terms so we understand. And can we continue to increase debt and to service debt in the way that we are going in Trinidad and Tobago, even if we come to the Parliament and the country and say that the reasons are justified because we are addressing a social cause in the country? Okay? Because the debt issue is an issue on its own. It is an issue that is something that we need to consider for the health of the country, and I simply raise that because it is important to raise it, Mr. Deputy Speaker.

Now, this particular housing bond for which we are legislating here today, was prompted—the Minister said—by the success of the \$4 billion asset-backed bond which has to do with the shares associated with the Clico assets ownership last year, and this pointed the way to a capital-raising strategy. So this particular housing bond, the Minister claimed at that time in the midterm review, would release the HDC from its financial constraints—and he reinforced that here again today—which limited its ability to provide housing. But is this the best way to deal with an affordable housing need, Mr. Deputy Speaker? I am raising that as a policy

issue.

The Minister talked as well about his Government's self-imposed and prudent debt benchmark. This is a direct quote from him in the midterm review presentation that he made before. So I want to ask: What is the self-imposed and prudent debt benchmark? What is it? Where is it written? How much is it?—the limit, I mean. And how is prudence to be defined? Now, I do have the mid-year review statement here, of 2019 and I would not read it but it is here that he announced that he will come with a bond in 5,000 investment units, and he talked about 6,000 units, 3,000 per annum, et cetera. And I have some reports as well, which reported on things that he said related to the announcement of this particular housing bond. Now, this takes us to the actual Bill itself and the five clauses, Mr. Deputy Speaker, and I do want to take a look at the clauses. Okay? So clause 3 says:

“Notwithstanding section 2A, the proceeds of the sale of tax free Housing Development Corporation Housing Bonds issued under this Act shall be applied solely for the purpose of the purchase of houses from the Housing Development Corporation by individuals.”

Now, does that guarantee everybody who holds a bond an option for an HDC house? Because I think it is possible to interpret this in different ways. Is it only for housing from the point of view of the individual investor who invests, or can it be for something else, simply as an investment instrument? But the more disturbing area is:

“Section 3 of the Act is amended in subsection (1)—

(a) in the *chapeau* by inserting after the word ‘issue’ the words ‘transferable or’;”

And therefore what that does is that it makes the bond transferable, as well as

non-transferable. And that opens the door to all kinds of interpretations and the reasons for it. And I want to flag that. I think it is important.

The other issue here in (c):

“...by deleting all the words after the word ‘by’ and substituting the words ‘as may be specified by the Minister by Order’.”

The way that is written, just as the way the one with the “transfer of” is written, it is very hard, from reading the clauses, to know the context or to know what it is about. But when you go to the parent Act you realize in (b), that is to say in 3(1)(b) of the Act, that section says:

“such other sums as may from time to time be specified by resolution passed by both Houses of Parliament.”

And this is now changed. It is altered because it is now deleted to “as may be specified by the Minister by Order”.

Now, Mr. Deputy Speaker, I think that my colleague flagged it but this is a very serious matter, and it is a serious matter because I think the way that it is presented is also a problem. Because just so the Minister—you move—in this Bill, just so, they move \$300 million to \$2 billion and now to \$3 billion. Okay? This is the first thing that they do. Well, that is okay. You are raising the amount that you can raise on the market and you are doing it. We are seeing it clearly. So that is okay. But just so also, is “transferable” and “non-transferable” introduced? And I wish the Minister would give us an explanation of what exactly is transferable now, to whom, that was not transferable before. I really need to understand that.

The Minister may tell me that it is a simple thing and I do not understand, but for the sake of the population the Minister says he has to use marketing. He says he has to use education to inform the population. I would like to understand clearly, what is going to be transferable that was not transferable before, and by

whom, to whom. I need to understand that. And just so, with these words, with the stroke of a pen, the Minister of Finance has taken away the power of Parliament to scrutinize the Motion before the House and to reside that power in the person of whoever is the Minister of Finance at the time. In this particular case, the current Minister of Finance. Now, I find that problematic, Mr. Deputy Speaker. All right? And I feel that there is some deception here, because by reading the amendments literally, you cannot get the clear and true intentions of the amendments. So that, in a way it is very deceptively crafted.

So I am saying that we are suspicious of why the bonds are now being made transferable, and depending on the explanation, if it is not satisfactory or does not allay our suspicion, we are certainly opposed to that and we are very definitely and definitively opposed to the Minister of Finance simply usurping the power of Parliament, just so. [*Desk thumping*] Now, it is difficult to say whether all individuals who subscribe will be allocated housing. We need that clarified. What would happen to others on the priority list who do not subscribe to the bond? What is going to be the role of institutional investors who are going to come after the individuals have subscribed a portion of the \$1 billion? What is the intention with this bond? Is it for a secondary market? Is the idea to promote—

Mr. Deputy Speaker: Member, your initial speaking time has elapsed. You have an additional 15. You care to avail?

Dr. B. Tewarie: I would like to, Mr. Deputy Speaker.

Mr. Deputy Speaker: Proceed. [*Desk thumping*]

Dr. B. Tewarie: Is the idea to develop a secondary market and whether, in fact, the original intentions of making housing available quickly and plentifully to large numbers of people who need it—affordable housing—whether that original intention is going to be defeated by the other things that are possible by the

legislation here in the creation of institutional investors and the creation of a secondary market?

So, Mr. Deputy Speaker, the savings and investment aspect of the bond is good. We support that. The debt aspect of the bond is problematic and I want to alert the country to that and I want to flag that to the Minister, and I want to—

Mr. Hinds: Would the Member give way?

Dr. B. Tewarie: No, no. You can get up and speak if you wish.

Hon. Member: You could talk after.

Dr. B. Tewarie: You can get up and speak if you wish. The debt aspect of the bond is problematic, and the possibility of one or several institutional investors redeeming the bond and holding the Government debt, I think is a little troubling. And the policy issues around housing are also a little troubling. I have something here in which—*[Interruption]* Oh gosh, you can get up and speak. You will get a chance.

Mr. Hinds: It would be polite and parliamentary, “nah”.

Mr. Deputy Speaker: Hon. Members, again, there is a procedure. The Member has not given way so let us cease that discourse. Member for Caroni Central, again, address the Chair.

Dr. B. Tewarie: Thank you, Mr. Deputy Speaker. I will do so. I have an article that was written by one of the securities companies in which the writer of the article says:

“Investors continue to bemoan the lack of new public bond issues coming to market...”

Well, this will satisfy that, if in fact there is a need.

“...while secondary...activity has also been subdued.”

So maybe it will also satisfy that secondary market need, Mr. Deputy Speaker. But

I would like the Minister of Finance to indicate that, because what I am saying is that there may well be a contradiction between the original intention and what are the possibilities that are made possible by the legislation that we are now seeking to pass in the House.

Now, there are all kinds of things going on in the world now, Mr. Deputy Speaker, and as you know, the crisis that we had here in 2008/2009 was related to an external crisis outside. It had to do with a collapse of the financial market. The collapse of that financial market was based on a housing crisis. It was also based on the development of derivatives based on housing and real estate, and that ultimately, you had a triple whammy when the price of energy went down and real estate really crashed all over is world. That was 2008. There are some people who claim that that crisis that we faced in 2008/2009 has not really been overcome yet, although people have sort of gotten back on their legs. They feel that the crisis has not really been abated; has not been solved. But the situation that we have now at this time, Mr. Deputy Speaker, is one in which people are talking about the possibility of a global recession again, in which there are trade wars, in which there are issues having to do with energy again, in Saudi Arabia, in which Brexit—what is happening in Brexit threatens the whole fabric of that institution, and happening in Europe.

So that we are dealing with a situation where the world itself is also in turmoil and as we do our business here, we cannot do our business as if, you know, we are isolated and alone, and insulated, and that we are not alert to what is happening elsewhere. So I simply mention that just as I mentioned before that we need to be cautious about the strength and the resilience of the financial system in Trinidad and Tobago. So I mention this other one, the fact that we are dealing with the possibility of instability and recession, given all the things that are taking place,

and I leave it there. I simply want to raise the matter because I think it is important to raise it.

4.15 p.m.

So I ask a question: What is Government's housing policy? From the point of view of the Minister of Housing and Urban Development who spoke to it, he said basically the housing policy is to make affordable housing possible and to make it in greater numbers to people in the country, and the question I asked is: Is this the only way to do this thing? How do they make housing available in the private sector market? They offer their properties for sale; somebody makes a down payment; you might make a second down payment on it, that way the developer gets money in his hands; begins the development whether it is homes or apartments, and during that time that the construction is taking place a mortgage is being arranged, and at the end of the day by the time the property is finished, the construction is over, the person has a mortgage, the banks have a mortgage, the person has property ownership and a place to live, and the person who is selling, the vendor, the property developer, has gotten their money. So that in a sense everybody is happy in the process.

Now, why do we want to do this for public housing as a bond; and why do we want that money in the bond, raised by the bond, to reside in the HDC; [*Desk thumping*] and why do we want the individual owner who is really paying for a house to pay in the bond to get an interest? Okay. Whereas that person could be paying for a particular house, in a particular place, on a particular property, and within the two years or whatever that it takes to build the house everything is arranged through Home Mortgage Bank, or whatever it is. So that HDC gets its money, the property owner gets their money, or gets their house sorry, and everything works out just as you would in a private sector transaction. Why are we

taking this convoluted way?

I am raising this issue because I am not sure that that is the right way to proceed, and therefore, I want to raise an issue that might be a little troublesome which is the issue of, should the State continue to operate in the same way as it did in the days of the—was it NHA before HDC?—NHA, the HDC, et cetera? I mean, they have already initiated the process of public/private. The State has a number of properties in various places that it owns—it does not have to divest itself of that—but would all of this not be a lot more efficient, and effective, and stimulate the economy better if you had an open transparent bidding process and you tell the people what is the price that you want to sell the homes for, and the developer would have to fit into that process and provide those homes [*Desk thumping*] so that everybody gets transparently what everybody needs. So the contractors can work, the individual homeowner gets his home, the efficiencies are built into the system. Why do we have to build this terrible state apparatus and continue it, and fund with all its effects?

You talked about the fact that so many homes were abandoned over time, et cetera, why do we have to do that? It really raises the question, Mr. Deputy Speaker, of what is the role of the State? I mean, we have a situation in which we have to ask that question given the financial situation of our country, given the difficulty of balancing budgets, given the difficulty of dealing with the debt situation and repaying it. Basically 17.5 per cent of our revenue is going to the repayment of debt servicing. It is going into debt servicing in this country.

We have a serious problem, and, Mr. Deputy Speaker, I think my colleague, the Member for Oropouche East, said that they had not thought this thing through properly, and I really do not think—I think we have to begin thinking through what are the right strategies for the country in all of these policy areas even while you

acknowledge that there are inequities in the society that must be addressed, that there are needs in the society that must be addressed, and that there are social concerns in this society that must be addressed, but that does not mean that you have to have the State in the middle of everything.

I think that it is possible to think through a regime that allows you to address this particular situation of housing need, and of the need to save, both of which are commendable things. I commend the Minister of wanting to create a savings instrument. I commend the Minister in terms of wanting to make savings possible as moving towards a home, but we have other problems here and I do not think the Bill—I do not know what was the intention behind the Bill, but I think there are contradictory possibilities once we pass these Bills that will in fact undermine what is the original intent of this Bill. [*Desk thumping*]

On the debt situation, I want to say that there is—[*Interruption*]

Mr. Deputy Speaker: Member, you have two more minutes.

Dr. B. Tewarie: Yeah—a difference between official debt and the level of indebtedness of a state, Mr. Deputy Speaker, and I want to say that the level of indebtedness of the public sector in Trinidad and Tobago is way, way, way beyond \$100 million. I would not deal with that today. Perhaps at the budget time depending on what kind of budget the Minister brings we could address some of those things. But I want to say that given the debt situation in the country, given the difficulty of fiscal space in managing budgets and budgetary allocation, and development needs in Trinidad and Tobago, I think that perhaps we have taken a wrong approach in bringing a bond to pass on the money to the HDC, for the HDC to give out contracts to people to build houses that are meant to be affordable housing for ordinary people, poor and middle income people, and I think that this is a mistake in policy in the manner in which it has been approached. Thank you

very much. [*Desk thumping*]

STATEMENT BY MINISTER

Mr. Deputy Speaker: One second, Member. As agreed by the Leaders on both sides, we will now revert to Statements by Ministers and I will call upon the Minister of Finance at this time and, additionally, permission has also been granted for him to go beyond the 10 minutes required time. Proceed.

Sale of Pointe-a-Pierre Refinery (Request for Proposals)

The Minister of Finance (Hon. Colm Imbert): Thank you very much. Mr. Deputy Speaker, I am authorized to make this statement on the results of the request for proposals for the sale of the Pointe-a-Pierre Refinery. Mr. Deputy Speaker, Trinidad and Tobago's largest crude oil producer, operating the country's only petroleum refinery, ceased refinery operations on November 30, 2018. The refinery was plagued by high and increasing debt, low productivity levels, escalating manpower costs, and an expenditure pattern of habitually surpassing its earnings and income. The refinery lost billions of dollars every year.

Following the closure of the company, Cabinet agreed to the establishment of a new state enterprise, Trinidad Petroleum Holdings Limited (TPHL). TPHL was vested with the responsibility to manage the former Petrotrin's oil and related assets which, in turn, now fall under management of four subsidiaries as follows:

- Heritage Petroleum Company Limited, the new Exploration and Production Company;
- Paria Fuel Trading Company Limited;
- Legacy Petrotrin, which manages all legacy items of the former Petrotrin; and
- Guaracara Refining Company Limited, which was established to replace

what was known as Petrotrin's Pointe-a-Pierre refinery.

Upon the closure of the Petrotrin refinery, the Government indicated its intention to offer for sale or lease the refinery and associated fuel trading facilities, where applicable. The bidding process was divided in two stages, with stage one of the bidding process attracting 77 expressions of interest. Of this 77 potential bidders, 25 elected to sign Non-Disclosure Agreements (NDAs), which then allowed access to a virtual data room containing highly confidential information on the assets and on the overall process. Further, of the 25 potential bidders who signed the NDAs, eight proceeded to submit Non-Binding Offers (NBOs).

During stage one, the following key criteria were utilized to evaluate the bona fides of each of the eight remaining bidders:

1. Proposal contemplates a restart of the refinery;

Very important.

2. Potential buyer or lessee possesses refining and marketing experience or has reasonable prospects of attracting a partner with such experience;
3. Proposed purchase price or lease terms are potentially attractive; and
4. Potential buyer or lessee has demonstrated that they possess the financial capability to fund the proposed purchase price or lease payments, and the capital expenditure required to restart the refinery.

After evaluation, a shortlist of five bidders was prepared as follows:

1. Beowulf Energy;
2. Glencore Limited;
3. Edgewood Holdings;
4. Klesch; and
5. Patriotic Energies and Technologies Company Limited—Patriotic for

short.

Subsequently, in June 2019, Cabinet agreed to the appointment of an Evaluation Committee of senior public servants and industry professionals with a mandate to make a recommendation to Cabinet on the undermentioned:

1. select a preferred bidder;
2. negotiate and finalize a binding offer;
3. negotiate and execute a definitive agreement for lease or sale;
4. initiate negotiations of critical commercial agreements; and
5. negotiate any Government incentives and conduct environmental audits.

At the close of bids on the August 20, 2019, three bidders submitted compliant binding offers for the purchase or lease of the refinery, namely:

1. Beowulf Energy;
2. Klesch; and
3. Patriotic Energies and Technologies Company Limited.

Mr. Deputy Speaker, the Evaluation Committee comparatively reviewed all three proposals on 12 specially selected criteria, ranging from financial capability, upfront consideration, history of refining and marketing experience, refinery restart time, proposed crude slate, exclusivity period, lease/sale arrangements, SPA/LA comments, union involvement, social and economic aspects, bidders equity and approximate time for the start of preparation for the ultra-low sulphur diesel plant.

I shall deal first with upfront consideration. In terms of an upfront cash consideration, Patriotic was the only bidder which offered an upfront payment consideration. Their proposal indicated upfront cash of US \$700 million for the refinery assets, plus US \$300 million for the non-core assets of legacy Petrotrin for instance a hospital. However, non-core assets were not offered for sale by

Government. Beowulf offered no upfront consideration, but instead proposed a lease payment for US \$42,000 a month over a 15-year initial term, and a future 50/50 profit sharing contingent on Beowulf recovering its capital investment and achieving a 15 per cent internal rate of return. Klesch's proposal indicated that the only payments to the Government would be through taxes.

Sale Purchase Agreement and Lease Agreement: Patriotic submitted a reasonable markup of the sale purchase agreement as did Beowulf. Klesch did not submit any draft agreements.

Union Involvement: Patriotic has as its sole shareholder the Oilfields Workers' Trade Union. Beowulf advised they will comply with existing labour laws. Klesch indicated that they currently operate in a unionized environment at the Heide refinery and have no objection to workers being unionised.

Social and Economic aspects: Patriotic proposed the introduction of staff incentives through a performance-based framework. They also committed to improving the work culture. Beowulf highlighted direct job creation, and proposed to incentivize staff through profit sharing. Klesch also highlighted direct and indirect job creation, and their direct impact on the economy through the payment of taxes.

Equity: Patriotic indicated its intention to secure an equity and debt provider. This transaction would be through asset-based financing. Beowulf proposed to use its finances to fund the due diligence exercise and indicated that another entity was willing to provide debt financing. Klesch signalled its intention to utilize its own finances to fund the due diligence exercise.

Mr. Deputy Speaker, after reviewing all of the facts as presented, Cabinet today agreed to select Patriotic Energies and Technologies Company Limited, [*Desk thumping*] a company wholly owned by the Oilfields Workers' Trade Union,

as the preferred bidder for the sale of the Guaracara Refining Company and Paria Fuel Trading Company on the following terms and conditions:

- (a) That Patriotic be given one month to present to the Evaluation Committee a satisfactory and comprehensive work plan on how it intends to complete the process going forward which respect to the following key deliverables:
 - (i) confirmation of its ability to finance the purchase and operation of the refinery;
 - (ii) a draft sales and purchase agreement and various other commercial agreements including of crude handling, domestic fuel supply, natural gas supply, product offtake, and transition support;
 - (iii) a finalized business plan that addresses other key deliverables inclusive of the provision of a guaranteed, reliable and seamless supply of refined petroleum products to Trinidad and Tobago and the Caribbean region, ensuring the long-term viability of the refinery, and reducing its carbon footprint;
 - (iv) a statement of any fiscal incentives or tax concessions required from the Government of Trinidad and Tobago;
 - (v) an approach to any historical environmental liabilities;
 - (vi) a refinery start-up plan which involves any necessary additional work inclusive of the refinery refurbishment plan and the terminal start-up plan;
 - (vii) a plan for the supply of petroleum products during the transition to full operationalization by Patriotic of the refinery, inclusive of the finalization of an MoU with Trafigura PTE Limited;

- (viii) a suitable staffing plan inclusive of senior management;
- (ix) proof of qualification to engender the start-up and performance enhancement processes for the new business as well as the evaluation of growth opportunities to deliver solutions that integrate information, analytics and insight, to solve client challenges at all points along the energy value chain; and
- (x) approval from the Board of Directors of Patriotic for the definitive terms and conditions of the proposed transaction.

Cabinet also agreed, Mr. Deputy Speaker, that Patriotic be granted a three-year moratorium on all payments of principal and interest towards the purchase of the refinery [*Desk thumping*] and a further 10 years at a fair market interest rate to complete the payment of the sum of US \$700 million it has offered for the refinery.

Cabinet also agreed that the Evaluation Committee be reconstituted as follows with a mandate to submit its findings and recommendations to the Cabinet on the aforementioned issues within six weeks. The Evaluation Committee comprises:

Mr. Vishnu Dhanpaul, Chairman, Permanent Secretary, Ministry of Finance;
Mr. Selwyn Lashley, Energy Strategic Adviser, Ministry of Energy and Energy Industries;
Mr. Anthony Chan Tack, Director of Trinidad Petroleum Holdings Limited;
Mr. Sahid Hosein, Chairman, Trinidad and Tobago National Petroleum Marketing Limited;
Ms. Sandra Fraser, Deputy Permanent Secretary, Ministry of Energy and Energy Industries;
Mr. Ian Welch, Chemical Engineer;
Mr. Joseph Remy, Trade Unionist;

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Mr. Dale McLeod, Insurance Executive;

Mr. Terrence Bharath, Attorney-at-law;

Ms. Arlene Chow, Interim CEO of the Heritage Petroleum Company.

I thank you. [*Desk thumping*]

Mr. Deputy Speaker: Chief Whip. Chief Whip. Chief Whip, Standing Order 24. Any feedback? Okay. Hon. Members, at this time we will suspend for tea and we will resume at five o'clock—[*Crosstalk*]*—5.15 p.m.*

4.35 p.m.: *Sitting suspended*

5.15 p.m.: *Sitting resumed.*

GOVERNMENT SAVINGS BONDS (AMDT.) BILL, 2019

Mr. Deputy Speaker: As we resume after tea, I recognize the Member for Tabaquite.

Dr. Surujrattan Rambachan (*Tabaquite*): Thank you very much, Mr. Deputy Speaker. Mr. Deputy Speaker, I am very happy to join this debate. Anything that is geared towards the alleviation of hardship and the provision of housing in particular, shelter, at an affordable price to the citizens of this country is something that we on this side will support, and the reason is very simple. It is an example of our continuing care and compassion for people, which is a hallmark of the United National Congress, and also our philosophy of empowerment of people through a home-owning democracy.

Mr. Deputy Speaker, property-owning democracy, or to widen the term on what we call a home-owning democracy, should be a national goal and it should not be restricted to any party. It should be a national pursuit, a national goal of any government, because owning a house and through that with the ability to secure your family and shelter them, I consider this to be an important pillar of measuring the quality of life and social progress in a country.

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Mr. Deputy Speaker, property ownership is also in my view a way to reduce poverty and move people up the economic ladder since property is an asset that can be used to enhance one's ability to take advantage of entrepreneurial opportunities, to borrow money, to be able to educate your children, or to do so many things. And so, it is very important that the idea of property ownership, as a tool of freedom, and personal progress, is something that is supported. And if in that sense these saving bonds can help to promote this idea of property owning democracy, then it is worthy of consideration.

I also want to say that I subscribe to the very many points of concerns raised by my colleague from Caroni Central, and also from Oropouche East. Any attempt, therefore, Mr. Deputy Speaker, to stimulate savings to cause people to own property, especially like a house, ought to be applauded and supported. I agree that there is in this society a tendency to spend all your money sometimes on very frivolous things without putting away some, not just for a rainy day, but to secure your future.

Now, Mr. Deputy Speaker, there is a question that arises in my mind as to what is affordable housing, and what is the cost of a real low income house or a middle income house—what is the cost of it—and how long will it really take someone to arrive at the point where they have a 10 per cent deposit or 5 per cent deposit in order to achieve this particular goal? For example, if the average income of a person in the lower income group is about \$5,000 a month, maybe closer to \$4,000 a month—a lot of people still only get \$200 a day unless—there are people I know now with a first degree working for \$150 a day in a store in Marabella because they cannot get anything and they need to do something. How long is it going to take them after they take their living expenses out, and what have you, in order to get this deposit? And therefore, while the saving bonds is

something I agree with, at the same time I must ask the question: can we find more innovative ways to move people up the economic ladder? Because if you do not do that and the disparity between the rich and the poor continues to widen, then you are heading for a kind of social conflagration in the society that will be very unwelcome.

So while your intention of this is good, at the same time we have to ask the question how long it is going to take? How much money can a person earning \$5,000 a month after expenses—let us assume that they have a wife and two children going to school, how much can they really save reasonably a month? Maybe 10 per cent of their income, \$500? Five hundred dollars by 12 is \$6,000; \$6,000 by eight years is \$50,000 if you use the 4.5 per cent interest that they are getting. So it may take them eight years to arrive at the point of deposit on this particular property with the bonds by which time in eight years the cost of the construction would have gone up. So how reasonable is really this whole idea of the bond issue?

A point made by the Minister of Finance when he spoke, or one of the Ministers, is that there are 175,000 persons on the HDC list waiting for houses. The Minister of Housing and Urban Development, the Member for Point Fortin made that. How many of that, those 175,000, are capable of buying bonds? How many of them? Let us cut it into half and let us say 100,000 are capable of buying the bonds, and let us say they buy bonds up to 5,000, so that is 500,000—100,000 by 5,000 is 500,000, \$500 million—[*Interruption*]

Dr. Gopeesingh: Five hundred million.

Dr. S. Rambachan: Five hundred million. So that it seems to me that the people who want HDC houses may only be able to put \$500 million into this bond issue. So that the institutional investors have an opportunity to buy \$500 million in bonds

at 4.5 per cent interest; that is the return on it.

I raise these issues because it is of concern to me. Are you really satisfying the clientele you are directing it, or are you really creating an investment for the institutional investors who have excess cash? Because my friend, the Member for Naparima MP Charles, was pointing out to me that the banks are saying they are awash with excess money, and what have you, and they need to invest it, and institutions and investors who are getting 0.5 per cent or maybe just up to 1 per cent will grab 4.5 per cent in these bonds. So who are we really heading at? Because I am saying that only about half of these bonds can be picked up by the people who are probably capable of buying a \$5,000 bond.

You see, there was a time when I argued in this Parliament about how many people are earning below \$6,000 a month and I was ridiculed for it, and suddenly that is the discussion in the society right now where people are now seeing that what I was saying was not that far from the truth in terms of how people are living. Therefore, Mr. Deputy Speaker, I ask the question about who are going to be the real beneficiaries of this bond issue? I am not against the bond issue. I am not against savings bonds. You know, I was taught very early how to save, and it was a very interesting way, Mr. Deputy Speaker, how I was taught to save. I was going to the Avocat Vedic School and my father had a contracting company. He used to have all his old vehicles that he used to buy in auction sale at Neal & Massy yard in San Fernando and every week he will give me \$5 to wash all his vehicles, but I never got the \$5 at the end of the week. I used to get \$250 at the end of the year. And when I got that first \$250 I opened an account in the bank and that taught me the value of saving. That was a lot of money. Plenty money.

So I know the value of savings and I used that money very usefully afterwards. So I am for the savings, I am for the bonds, but I must point out who is

really going to benefit, and it is the target audience that we are talking about who really is going to be the beneficiaries.

You see, Mr. Deputy Speaker, an investment in a house is a major commitment since a mortgage arrangement can absorb for a young person up to 30 years of that person's natural life.

A mortgage could absorb up to that amount of time. They reach to 30 years of age—let us say they started to work at 22 and they saved for eight years, at 30 years, they are taking out the mortgage; for the next 30 years, they are committed to that mortgage. So 30 years of the natural life of a young person is going to be absorbed in paying a mortgage, so it is very important decision that that person has to make. So a person investing in a home through a mortgage deserves a quality product, deserves some kind of guarantee on the product purchased.

5.25 p.m.

Now I raise this for a reason. I read about the Gomez Trace in Moruga issue, the quality of houses. We saw when the earthquake took place—

Mr. Deputy Speaker: Hon. Member, again, you would be the third speaker that is going down on that particular aspect so again, proceed but again, tie it in quickly.

Dr. S. Rambachan: Mr. Deputy Speaker, I have a different point to make but I am making reference to it.

Mr. Deputy Speaker: I am giving you the opportunity. I am just saying.

Dr. S. Rambachan: Yeah. Because I am talking about product quality now and I am talking about the right of an investor with a 30-year mortgage to have some kind of guarantee on the product that they have bought. So I am saying, given the experience which people purchasing HDC houses have had, it is my belief and I recommend that persons purchasing HDC houses be given a term of guarantee on those houses and that the HDC contractors be bonded also in terms of that

guarantee, [*Desk thumping*] whether the guarantee is for one year or the guarantee is for three years with the houses they purchase. You cannot have me saving for eight years, I go and buy a property, I am committed for 30 years and the product continues to be defective.

And, Mr. Deputy Speaker, at the cost of repeating myself, but for emphasis, there are very serious issues with the quality of work being done by HDC contractors on their houses. Mr. Deputy Speaker, we live in an earthquake zone and even though we build flat houses, single-storey dwellings—not on stilts, single-storey, I am just talking about that one—it is my belief that those should be piled at least 10 feet because the foundation is the strength of your house, and in an earthquake zone, that is why you get cracks. When I see how they build houses and they just interlock the blocks rather than using concrete to lock in the blocks at every corner I realize that HDC contractors are not being supervised in terms of how they should be supervised, and I put full blame on the designers and the architects for not designing the houses to withstand the kinds of conditions which are being effected by the climate changes that we see at the moment. And they are very frequent, now I may say, earthquakes that are taking place, although they might be 3.5 and 4.5 but they are taking place. [*Interruption*] Yes, the cumulative effect could be like that.

So I think that, you know, there should be some kind of guarantee, Mr. Minister of Housing.

Maj. Gen. Dillon: Would you give way for two minutes?

Dr. S. Rambachan: Sure.

Maj. Gen. Dillon: Thank you very much. What HDC has done is put in place a 21-points quality control plan that is checked on every sense of the way to ensure the quality of the building. What you described ago used to happen in the past. I

think since we have put in place that 21-points quality control measures, we have seen a great deal of improvement in that. Thank you.

Dr. S. Rambachan: I am saying now that you need to work on your supervisors who are looking at that 21 points. So, to close this point, a home-owning democracy, a property-owning democracy should be a national goal.

You see, property ownership gives people power to make choices, power to control their own lives and a society based on widespread homeownership enlarges personal choice and therefore provides a stronger democracy. In other words, property ownership is the economic expression of democracy. Social and political rights must be balanced with property ownership to create a balanced democracy. That is my point on it.

Now, Mr. Deputy Speaker, when the hon. Member for Point Fortin, the Minister of Housing, spoke, he said that the current Government had delivered 2,264 units over the last three years. And I was wondering whether he could have given the cost of those 2,264 units and the square footage of what he considered to be the 400,000 house as against the 750,000 townhouse because the 400,000 house you spoke about was a two-bedroom house, and I was trying to figure out between the private sector and the state sector, what is the difference in the cost per square foot of construction to compare quality in terms of both. So that will also give us an idea of what is the level of subsidy being given by the Government into these particular houses that are being sold.

You see, the other reason I asked that question is that the Member of Parliament for San Fernando East, when he was the housing Minister, he announced on the 22nd of June, 2016, that Government will turn the sod to officially begin construction of HDC housing units in Malabar next month and he said that 1,200 housing units are expected to be completed this year while 5,000

will be completed in 2017. Now, the Minister of Housing is saying that over the three years, 2,264 houses—

Mr. Hinds: They are both correct.

Dr. S. Rambachan:—have been completed, whereas the then Minister, Mr. Mitchell was saying that, you know, by 2017, we will have 6,200 units. So it means to say that the Government only achieved a third, 33 per cent of what they expected. Now that is an important point I am making because I am trying to establish what is the real cost of building by the state sector. What is the real cost of building? Because if there are in-built inefficiencies, then we are losing both ways. We are losing, as a country, in terms of how we efficiently use money for development and at the end of the day, we may end up where the price of the houses has to be increased in order to subsidize the inefficiency of the state sector in terms of what they are building which is not something we want. So I raise that point in that particular context which I think is important.

Mr. Deputy Speaker, the question that then arises is that: Are there alternatives to the HDC building the houses? Are there alternatives to it? Are we really finding a way to help the low-income and the middle-income person? You know, 175,000 persons could have applied for housing, that just gives you an idea of how many people are in need but there is a difference between an application for housing and qualification to purchase. Now, I do not know if the rent to own scheme is still in effect but you know, it is something that a lot of persons will need to use in order to get into the house. One of the unfortunate things I find about the rent to own thing is that people are not very responsible in meeting their commitments and that is something that has to be dealt with.

So I want to turn people's minds back to some experiments that took place in the country which I think were very successful. One of it was called the Sou

Sou Lands project and the names of John Humphrey, Lennox Sankersingh, Allen Sammy, Ivan Laughlin. These were pioneers in that era of the Sou Sou Lands concept. And today, if you go to Penal in a place called Sou Sou Lands, you will see the kinds of houses that people have built as result of that, and I think that the Government should explore, for example, the 40 acres that exist in Central Trinidad which Sou Sou Lands still owns and which they want to give as a donation for the zoo, to see whether you can work with them on 40 acres to provide may be about 250 houses in that area using their concept, in which there was shared development cost for the land and people built their own houses.

You know, I always remember the former Prime Minister Mr. Panday speaking about housing at a caucus once and he said give people the land and they will better houses than you can build as the State. And the La Paille Gardens in Caroni is an excellent example of where people got lands, I think under the sugar welfare scheme, and they were able to build almost a replica of parts of Valsayn in that particular area. They build slowly, they build for cash, they do not send themselves in debt but they build very, very good houses. So one of the experiments that I think should be looked at again: provision of the land for people, developed land, which you can charge them for. So you can develop and sell the lands at a reasonable price to them.

Now, the other thing is that I have seen private developers getting permission to build houses in Central Trinidad on less than 5,000 square feet of land. I remember in Trincity, there was an experiment there, where someone had the great vision of building the new city in Trincity, and the Member of Parliament for Tunapuna might throw his mind back to remember that era, with Lloyd Best and a number of other people who had that vision. Today, of course, Trincity has developed remarkably well, but the initial idea was that and they built, I think, on

3,300 to 3,500 square feet of land. So I am wondering to keep the cost down, whether we should not look at our policies again and not just allow the private developers to do that but also the state sector should look at smaller parcels of land for single dwellings which will reduce the cost of land, and people will build the two-bedroom houses for themselves. But you are going to put more people into houses and give them shelter and promote the property-owning democracy that I am so strongly advocating.

And there are two other groups in this country I think the state sector should be working when you talk about housing for the lower-income people, and I am now really talking about the lower-income people. Mr. Deputy Speaker, there is an organization called Habitat for Humanity, and Habitat for Humanity uses sweat input as part of the house, that is the people would provide some labour and what have you, and they build very affordable two and three-bedroom houses, much cheaper than the state sector could provide. And I think Habitat for Humanity, just as we talk about private-public sector partnership, there should be a partnering between Habitat for Humanity as a private sector NGO or private NGO and the state sector to look, especially in the rural community where you still have people living in substandard conditions. Very, very substandard conditions. Moruga, I can take you and show you a lot.

Dr. Francis: That is what HVIP is doing right now.

Dr. S. Rambachan: Platinite Village.

Dr. Francis: I was up there two weeks ago.

Dr. S. Rambachan: You know, during my time as a Minister, we were doing some of that work and we built a house for a differently-abled gentleman with his two daughters, eight and nine, and it was just before Christmas so I did not get time to go back. But when I first visited them, they were living in a hut barred

with galvanize. There was a piece of linoleum on the floor, on the dirt floor, and I would not go through the rest to tell you what they were sleeping on and what have you. But when I went back to carry a gift for them in the new year, the two little girls ran out to me and I thought they were attracted by the gifts, they were not attracted by the gifts. The elder of the two, the nine-year-old, came and says, "Uncle, I have my own room". Uncle, I have my own room. That room meant freedom, independence, growth. This is what we are doing.

So when I tell you to partner with Habitat for Humanity, it is better you put a couple of millions of dollars in with the Habitat for Humanity and begin to accelerate the self-help mode of housing development so that people can move into better living conditions. You cannot allow to have big mansions and right next to it to have dilapidated living. You are going to create social problems. That is part of what is going to affect people going into crime. So you can lift yourself but you must also lift others and there are NGOs in this country that can help you to do that but you have to partner with them. You must not leave the NGOs on the periphery. That is one of the unfortunate things about governance in this country. We are not utilizing the NGOs to help in the development process as we should be utilizing the NGOs. This is a country, I tell you, of some of the most generous people you know. Let there be a crisis in this country like happened in Greenvale and you will see how generous people are in this country. They are very, very generous and governance means that we will also tap into that compassion. Then there is another one called the Pasea Sai Centre and the Pennywise CEO, Mr. Paladee, is one who had initiated this and they will build a house, after all the preparatory work is done, in two days, a very good house, costing less than \$100,000, a two-bedroom house and I think they combine with Anthony P. Scott in terms of their methodology. So, Minister of Finance, you know, there are

organizations which can be partnered in order to advance the whole process of low-income housing for people in the country.

The other point I want to make is this. There are a lot of HDC houses that need refurbishing and you are saying that you do not have the money to do it and you want to use this money that you are getting to use it very wisely to build houses. Have you considered valuing these houses that are in different levels of dilapidation and selling it out to individuals who are willing to buy it—that is people on your HDC list—and let them bear the cost of repairing the houses and getting them, rather than leaving them there vandalized and leaving them in a state of disrepair and an eyesore? Again, you will provide an opportunity for people to use their little investments and—*[Interruption]* Yes, and improve the security of the area. So I think that is something that needs to be done and they are going to fix it probably much better than the contractors are going to fix it.

Mr. Deputy Speaker, I would have liked to know how many houses are targeted with this \$1 billion. How many houses are you going to build with this \$1 billion?

Mr. Imbert: Many.

Mr. Charles: “He doh know.”

Dr. S. Rambachan: Well, many is a lot, but let us say “50 two bedroom, ah 100 three bedroom”, how many multi-storey, how many townhouses. I think it is important because you are looking for value for money. We are looking for value for money from this \$1 billion. This \$1 billion, eventually the Government has to pay it back, you have to pay it back. At the end of the day, HDC, if they say they cannot pay it back, well the Government will have to pay it back because it is a bond that is being raised through the Minister of Finance. So it has to be paid. So I think that it is very important that you consider what I am saying here.

Now, one of the things that we have not looked at while we are talking about the cost of the houses, what does it really cost a person to acquire a house. It is not just the price they pay for the house you know. You know, one of the atrocities I see in this country eh, is the banks who charge this 1 per cent commitment fee. They are making about \$2 million or \$3 million in interest over 30 years but they charging you, let us say on a million dollar house, \$10,000 commitment fee. I think, Mr. Minister, if I had the power, I would pass a law against that in this country. I would pass a law against that in this country. That is absolutely rubbish to me that they are doing. I do not want to use any other language. Commitment fee.

Because you see, people do not understand what are the extra costs you know, especially for the private sector now. I do not know if this is the State fee: 1 per cent commitment fee, a quarter of 1 per cent valuation fees, the cost for the deed of conveyance, the cost for the mortgage execution, the indemnity insurance that you have to buy, the life insurance you have to buy to cover it, the term insurance if you cannot buy life insurance, the fire insurance you have to buy for the property. All of these are additional costs. Yes. Somebody buying a house now up to \$1.5 million they are exempt from the stamp duty which helps them with the legal fees in a way but it is an additional cost and for a low-income family, these are serious costs.

So I wondered whether the HDC would not consider in terms of low income having your own panel of legal people in the corporation, have standard deeds, have standard mortgage execution documents and so on and your own internal valuers as part of your staff since you are talking about up to 3,000 units a year. Now, I do not think what I am saying is pie in the sky you know, I think that this is very feasible if you have the will to do it and if you are managing in the context of

really thinking compassionately about the people whom you are managing. So, Mr. Deputy Speaker, I want to make that point also in terms of the bonds because, as I said, 30 years of your natural life, up to, could be involved in this.

Now, Mr. Deputy Speaker, maybe the Minister—

Mr. Deputy Speaker: Member, before you go to your next point, your initial speaking time has elapsed. You have an additional 15. Care to avail yourself?

Dr. S. Rambachan: Thank you.

Mr. Deputy Speaker: Proceed.

Dr. S. Rambachan: Mr. Deputy Speaker, I do not know if the Minister of Housing may tell me this but the normal mortgage for a person buying a HDC house goes up to what age, 60 years old? [*Crosstalk*] Yeah, so 60 years old. So I am saying that there is a lot of public servants who are waiting for houses and they have not gotten houses and they may want to buy these bonds also, but they are not going to be able to get a long-term loan. So they may end up with a 15-year loan which makes it difficult for them to get an affordable mortgage. So here is my suggestion to you. They have a pension to get and they have a gratuity to get at the end of their working life in the service. So why not create a situation where they can apply—they can take the mortgage now at 45, agree to apply a portion, maybe 50 per cent of the gratuity onto the principal that they are borrowing and therefore they will have a reduced pension up to age 70 and you create a new formula to make ensure that those people who now find it ineligible become eligible for housing because the age of people have gone up and they are getting a pension into the long run. Right, so I am proposing a change in the formulation as to how people are financed because somebody reaching 45 years old, it is hard for them to get a mortgage you know but they can apply a part of the gratuity to the principal, right, and then they have a reduced mortgage based on the level of the pension that

they get, they have that pension plus, of course, the national insurance that they will be getting. So I think that we have to rethink the financing of options and the mortgage options that are available to people.

And I want to make one more plea in all of this that sends up the cost of construction, especially since the Minister of Housing said, you know, the Government cannot do it alone, that it has to be done also with the private sector and you are right, Mr. Minister, it has to be done in that way. But the cost of construction, developers will tell you, it is going up and it will go up unless we deal with the regulatory authorities and the approval agencies. They are taking too long. So when you put money upfront as a developer—and let me declare my interest again eh. I am a land and housing developer. I am registered with the HDC. I am registered with the FIU and so on. I have applied for registration. So I make myself very clear on this.

But the cost of construction goes up because there are many regulatory agencies. You are putting upfront money to develop the infrastructure which includes your designs for Town and Country, your designs for WASA, your designs for fire, your designs for Ministry of Works in terms of roads and drainage and then when all of that is done and you get that approval, then you have to go to the MOH, County Medical Officer of Health, the regional corporation and then, only then, can you begin to develop. By which time, a 9.25 per cent interest on, let us say you are doing a five-acre and about \$2.5 million of infrastructural development, you are paying a cool \$200,000 a year in interest. So I have in my mind a formula that can deal with that and can reduce that time but it will take will, governance will, and therefore, you will be able to keep costs within a certain kind of framework.

The final point I want to make concerns whether this is a money Bill and it

is something that I will ask the question, Mr. Minister of Finance. Is this a money Bill? [*Crosstalk*]

Mr. Deputy Speaker: Please, Members, please, let us keep the decorum intact.

Dr. S. Rambachan: Yeah. It bears no certificate or any markings to indicate that it is a money Bill. So it is not a money Bill? Okay. If you look, Mr. Minister, at the main purpose of the Bill, it says is to amend section 3 of the parent Act, the Government Savings Bonds Act, Chap. 71:41, to increase the total value of bonds that can be issued under the Act from \$2 billion to \$3 billion and then it gives the purpose, of course. Now, section 5 of the parent Act states:

“The principal moneys and interest represented by the said bond are hereby charged upon and shall be payable out of the Consolidated Fund.”

Now if you go to Constitution of the Republic of Trinidad and Tobago, section 66(1), it defines what constitutes a money Bill and in particular subsection 66(1)(c) and (d) states:

“... ‘Money Bill’ means a public Bill which, in the opinion of the Speaker, contains only provisions dealing with all or any of the following matters namely:

- (c) the grant of money to the State or to any authority or person, or the variation or revocation of any such grant;
- (d) the appropriation, receipt, custody, investment, issue or audit of accounts of public money;”

So the matter is how we do we interpret this and on the interpretation of this paragraph in my view is that any increase in the bond ceiling as per the Bill is indeed a provision for a grant of money to the State and one which authorizes the issue and receipt of public money. Secondly, any moneys raised by the issue of any bond, in this case, a housing bond issue, not exceeding \$3 billion of course, is

a charge on the Consolidated Fund also. The purpose for which the money is to be raised in my view is irrelevant to the definition since the primary receiver of the moneys raised by any issue is in fact, the State and not the HDC. So it seems to me that the Bill satisfies the stipulated criteria for classification as a money Bill, and you know, I am just raising the issue, Mr. Minister. You know I am sure you have a very good opinion of what I am saying, whether it is right or whether it is not.

So, Mr. Deputy Speaker, that was the last point that I would really like to raise on this issue of this particular Bill and as I said, it is something that is necessary to stimulate a culture of savings, but I have fears that we would not raise the amount of money and that we would not have enough participants able to raise this money and half of it will go to institutional investors. I thank you, Mr, Deputy Speaker. [*Desk thumping*]

The Minister of Tourism (Hon. Randall Mitchell): Thank you very much, Mr. Deputy Speaker, for allowing me this brief intervention to speak in support of this Bill, an Act to amend Government Savings Bonds. And Mr. Deputy Speaker, I want to thank the hon. Member for Tabaquite for indicating again that he, too, is a housing and land developer, in competition with the HDC because he produces some of those houses.

Dr. Rambachan: I do not build houses.

Hon. R. Mitchell: No, but you produce low- and middle-income housing and I want to thank him for indicating that because perhaps the Member for Siparia does not know that he too is a land developer who has benefitted from this Government's housing policy. [*Desk thumping*] Perhaps the hon. Member for Siparia does not know that. But, Mr. Deputy Speaker, I want to speak here in support on behalf of the members for San Fernando East on this very innovative

plan.

Mr. Deputy Speaker, this plan allows ordinary citizens to participate in a savings plan and it allows persons who are interested in owning a first home a savings plan where they can contribute towards the down payment to that purchase and of course, the proceeds are to be used for construction of low cost to middle-income housing.

But, Mr. Deputy Speaker, this is not the only innovative plan coming from this Government, and perhaps the hon. Member for Tabaquite does not know that this Government piloted the Aided Self-Help Programme. [*Desk thumping*]

5.55 p.m.

You spoke about policies under the UNC Government, like Sou Sou Lands and being able to distribute lands to deserving citizens. But this Government, during this term, piloted and introduced the Aided Self-Help Programme, where lands are to be made—I think it is about 2,000 lots of land are being made available to deserving applicants at a subsidized rate at about 30 per cent of the cost of the land. But not just that, the Ministry of Housing and Urban Development is also assisting the applicants through the construction process, and that is an innovation of this Government.

Another innovation that you do not know about is the Housing and Village Improvement Programme where, just like Habitat for Humanity, and the other developer that you spoke about—

Dr. Rambachan: It is an NGO.

Hon. R. Mitchell: This NGO, sorry, that you spoke about, this Government, in the pilot project at Samuel Cooper in Moruga, built about 30 houses for \$110,000 each, starter homes, two bedrooms. [*Desk thumping*] Let me repeat that, 30 homes, starter units, two bedrooms, for \$110,000 each, using a community

approach and an aided self-help approach. [*Desk thumping*]

Mr. Deputy Speaker, the hon. Member for Tabaquite also spoke about the property ownership as power and property ownership as a tool of wealth.

Dr. Rambachan: You like it?

Hon. R. Mitchell: “Yeah, ah love it.” But the UNC did not like it between the— or the People's Partnership rather, did not like it, between the years 2010 to 2015. Because notwithstanding all the units that you all distributed, those units were distributed on a licence to occupy basis. It is this Government that started the mortgage conversion programme, where people finally became true owners of their home; [*Desk thumping*] true owners who were able to benefit from that equity, who were able to benefit from the wealth of this house. It was not under the People's Partnership. You all did not convert anybody.

Dr. Rambachan: That was our intent.

Hon. R. Mitchell: We are not talking about intent; we are talking about actually owning the home.

But, Mr. Deputy Speaker, they did not need, at that point in time, to convert persons to mortgages to make them true owners of their home. Because they have, as the Minister of Finance indicated, an average of \$1.7 billion spend, every single year, and that does not include the cost of borrowings. That equates to about \$133 million per month to spend on public housing for low- and middle-income persons.

Mr. Deputy Speaker, the Member for Caroni Central spoke, and he said he was advised and he was informed, that River Runs Through was a project initiated by the Peoples Partnership Government. That is very untrue. Through you, Mr. Deputy Speaker, to the Member for Caroni Central, River Runs Through is a parcel of land acquired and developed by the Member for Diego Martin West. And it is in 2016, that we turned the sod, and I think it is about 115 units are now

completed. It was one of our first projects, and it is one of our first projects where we reduced the cost of construction from \$1.3 million per unit, under the People's Partnership, to about \$500,000 on average at that project. [*Desk thumping*]

The Member for Caroni Central also spoke about “contract-ocracy”. That is very bold, Mr. Deputy Speaker. It is bold because during the period 2010 to 2015, under their housing programme, two contractors, just two contractors, got contracts worth, in one instance \$1.6 billion for the Oasis project, and in the other instance, \$1.3 billion for the Cypress Gardens project. Sole select, you also spoke about sole select. And your Government is known, or rather, few contractors are known for benefiting from the largesse, from the People's Partnership between the years 2010 to 2015.

Mr. Hinds: Solely SIS.

Hon. R. Mitchell: The Member for Tabaquite also spoke about the state of construction, and the Member for Point Fortin, the Minister of Housing and Urban Development, corrected him, indicating that the HDC had put in place a 21-point quality assurance programme. And that was put in place in 2016 because of the bad work, the poor workmanship that occurred between 2010 and 2015. Because notwithstanding these contractors getting a \$1.6 billion contract, or a \$1.3 billion contract, you had to now hire more contractors to come and repair the poor workmanship. This Government would have corrected that state of affairs.

The Member for Caroni Central also spoke about the debt aspect of the bond is problematic. The Member for Caroni Central, you would be aware that during the period 2010 to 2015, that every year there were deficit budgets, every single year. You did not have a problem with the debt then, because that debt did not disappear. In fact, it was this Government that had to deal with the debt burden left over by the People's Partnership Government.

The Member for Oropouche East spoke about tax-free will not help low-income persons because they already earn tax-free salaries, and that we are picking the pocket of poor people, and it is a complete misrepresentation, Mr. Deputy Speaker. Because now poor people actually have a chance to enter into a culture of saving, where they can earn interest higher than what the bank or even the credit unions are paying now. A culture of savings, that the same poor people that you claim to represent can now enter into.

The Member for Oropouche East said that we are picking the pockets of poor people. And the Member for Oropouche East also spoke about the high cost of construction of the cancelled, cancelled, Chinese contract of \$1,200 per square feet. And, Mr. Deputy Speaker, that is the same former Minister of Housing who oversaw the cost of construction at EMBD of over a million dollars per lot. He now has a problem with the cost of construction and the cost of development. And at the HDC, the cost of construction was a whopping \$1.3 million per unit, \$955,000 for a duplex unit. Under the PNM, we have reduced that down to \$500,000. [*Desk thumping*]

So, Mr. Deputy Speaker, I really just wanted those few minutes to correct some of the hypocrisy coming from the other side of the isle. I want to say on behalf of the constituents of San Fernando East, that I wholeheartedly support this new innovation. All of us here as Members of Parliament know the high demand of housing. Every time we do a constituency surgery, 90/95 per cent of the people coming to see us, are coming to see us for the acquisition of a low-cost home. And this Government is responding to that. Many persons will benefit from this new innovation and other innovations of this Government. I support it wholeheartedly again and I thank you, Mr. Deputy Speaker, for these few minutes. [*Desk thumping*]

Dr. Tim Gopeesingh (*Caroni East*): Thank you very much, Mr. Deputy Speaker. First of all, in keeping with my colleagues on this side, they, in their contributions, indicated their support for the improvement of the well-being of the citizens who are on the level where they are finding it difficult to eke out a living and have accommodation above their head for themselves. So we support that fully.

I want to congratulate the three speakers on this side and, of course, because they asked some relevant and pertinent questions, which I hope that the hon. Minister of Finance will answer. And we heard from two Ministers of Housing from the Government side in this administration. I want to tell you that there is no hypocrisy on this side of the Bench. We provide facts, we ask questions and we give you the information that is required for our performance from 2010 to 2015. And I believe, if I am not mistaken, the Minister of Housing at that time can say with conviction that he constructed, the People's Partnership constructed, more than 7,000 homes during that period of time. Mr. Deputy Speaker—[*Interruption*]

Mr. Deputy Speaker: Just one second. Please Laventille West, the outburst, please.

Dr. T. Gopeesingh: Mr. Deputy Speaker, my colleague the Member for Tabaquite was making the point that this Bill really is a money Bill and we ask the Minister of Finance, I want to reiterate that, that you should make sure that the certificate is on this Bill, because if you do not do so, this Bill stands the possibility of not being approved by the President, because it is a money Bill and he knows the context in which it is spoken.

Mr. Deputy Speaker, the genesis of this Bill is really contained in the mid-year review presented by the Minister of Finance in May 2019. And according to the Minister then, the intention was to put the Government's housing construction programme on a self-sustaining basis, we have no quarrels with that, with a target

to complete 6,000 units by 2020, and subsequently to roll out 3,000 units per year.

Now, one of Ministers of Housing spoke a while ago, earlier on this afternoon, the Member for Point Fortin. We would have expected—the Minister gave some statistics but we would have—I do not think the statistics were in a well formatted way—expected the Government to tell the country that you are coming to ask for \$1 billion more for housing. But you must be able to tell the country, in your four years how many you have constructed, it is a simple statement, how many you have constructed, how many you have distributed, how many are under construction at this time—

[Electronic device goes off]

—how many housing stock— *[Laughter]* Mr. Deputy Speaker, I am being disturbed by the other side.

Mr. Deputy Speaker: Okay, Members please, Members, please. Mobile phones are to be on silent or switched off. So the next person, that will be the third occasion. Right? Please, proceed.

Dr. T. Gopeesingh: Mr. Deputy Speaker, I just want to—if the hon. Minister of Finance can indicate to the country how many houses were constructed, how many distributed, how many are under construction, how many houses were repaired and refurbished during the four years of this administration, and how many are there present now that are unoccupied? I do not think that is a very difficult answer for them to provide so the country—*[Crosstalk]* Well, get your information from the Minister of Housing and Urban Development. You have a former Minister of Housing, you have present Minister of Housing, you have your Prime Minister who was a Minister of Housing. *[Crosstalk]* Sure, Mr. Deputy Speaker, I will address you, Mr. Deputy Speaker.

Now, it is stated here in the context which the Minister of Finance was

speaking, a self-sustaining basis with a target to complete 6,000 units by 2020. I think we have heard this afternoon, beating around the bushes, that when we try to summarize, we are not sure where we are, whether 2,000/2,500. But this is September 2019. Their term of office comes to an end in September 2020 which is 12 months from now. You are really telling me that you can complete another 3,000 to 4,000 houses, when you have in fact done only about 2,000/2,500, as you said, over the last four years. So, your figures that you are speaking about are totally unrealistic at the moment, and to roll out 3,000 units per year. So, it is important not to make these types of statements. That was your mid-year review statement, by the Minister of Finance, when he knows fully well these are unrealistic figures and they are not able to do it. So, that is the general trend of a government telling the people we are going to do this, when they fully realize for themselves that they are unable to do this and the population must not be fooled. So we need the statistics in terms of what you have in fact done so far.

Mr. Deputy Speaker, they said that the bonds would be offered to individuals—before I move to that point I just missed one point here. The proceeds from the issue of housing bonds will be used to speed up the housing construction programme with TTMF using mortgages on behalf of HDC. Many of us as MPs, people come to us to ask for homes. The criteria that TTMF uses for someone to be eligible for a home are very high, in terms of the financial requirements, and it is painful sometimes to tell the people who come to ask you to get homes for them, when you begin to question them, you realize that they are unable to fulfill the criteria. So, with all this information presented by the Minister of Finance that you really want to get homes for the people, for the low-income people, when they put their money for the bond and TTMF—they go to TTMF for their analysis—Mr. Deputy Speaker, they would find it almost impossible, many of

them, to meet criteria that TTMF puts out for them to obtain their home and they would come away disappointed.

So, I think it is important that the Minister of Finance, the Minister of Housing and Urban Development, TTMF should get together. If they say that they are going to construct these amount of homes, they should look at the criteria under which someone will qualify for a home. Because no matter how much money they put in this bond, they will find at the end of it, even though they might be placed higher on the waiting list, they will not be able to satisfy the requirements of TTMF, because the eligibility criteria are not satisfied.

Mr. Deputy Speaker, when we come to the Bill itself, I want to reemphasize what my colleagues said a while ago, not for the sake of repetition, but to put into the mind of the Minister of Education that we have objections to two areas in these five clauses, and we ask for them to be expunged and not to be carried forward in this new Bill, and they are, as mentioned before, we are opposed to clause 4, where it states allow for “the Minister by Order”, as opposed to resolution, passed by both Houses of Parliament, to specify additional sums of money which may be required from the issuance of transferable and nontransferable bonds. We do not agree on the issuance of transferable bonds, we reemphasize that, and we do not agree for the Minister by Order, as opposed to resolution passed by both Houses. We want to leave it as resolution passed by both Houses of Parliament, to specify additional sums of money which may be required.

Because, Mr. Deputy Speaker, the parent Act indicated that the intention does not—there is a Parliament. If you want more money, you must come to Parliament for more money. That is a money issue. That is why it is considered a money Bill. And with a money Bill, you must come to Parliament for approval. So, therefore, we are not in agreement with the transferability issue as well, and

“the Minister by Order” aspect of it.

I want to ask the Minister of Finance, on clause 5 it is indicated, inserting after existing item 4 in Part A, types of bond, the new item 5 reference and you have originally the Government Savings Bonds, the national tax free savings bonds, tax free housing bonds, national saving bonds. Now we are adding Housing Development Corporation Housing Bonds. Why is there the need for the addition of this Housing Development Corporation Housing Bonds? Could it not have been included in the tax free housing bonds? Why is it necessary to say that it is Housing Development Corporation Housing Bonds? Is it because the money is going to the Housing Development Corporation? Why could it not have been incorporated in the tax free housing bonds and no need for any amendment to Part A in clause 5?

Now, I want to ask some questions. This billion dollars that they are asking for, where is it going? It is going to the Consolidated Fund? Or is it going to the Housing Development Corporation? My research on this is that it is going to the Consolidated Fund. So, therefore, if it is going to the Consolidated Fund, why you needed to put this Housing Development Corporation Housing Bonds?

I want to draw a little reference to what the Minister of Finance has been speaking about, the success of the National Investment Fund (NIF). He said that the institutional investors grabbed the NIF. But the NIF money went to the Consolidated Fund, Mr. Deputy Speaker, to take care of overdraft. And if the Minister of Finance will remember, in one of his statements he made, he said he was able, gleefully, to reduce the overdraft from 50—[Crosstalk] What was that Prime Minister? All right, come on. No, no, but I want to make the point, Mr. Deputy Speaker, that the Minister was gleeful about getting \$4.5 billion or whatever from there. He put it in the Consolidated Fund and he reduced the

overdraft, which was running at 90 per cent to 50 per cent and he was happy to have money available for him to carry on the overdraft. What prevents this \$1 billion from going into that Consolidated Fund not being applied to housing and go the same way as NIF is going? So that is the question that he must answer.

Mr. Hinds: “Better you had Pip too.”

Dr. T. Gopeesingh: Mr. Deputy Speaker, one of my colleagues touched on the—
[*Crosstalk*]

Mr. Deputy Speaker: One second. Member for Laventille West and Member for San Fernando West, also, please do not disturb the session once you are not in your proper seats, please. Proceed, Member for Caroni East.

Dr. T. Gopeesingh: Yes, Mr. Deputy Speaker, the issue of debt. The Member for San Fernando East spoke about the People's Partnership not being able to tell the country about the debt situation and we made a mess of the debt situation. Let me give you the real statistics and the facts related to the 2010/2015 performance of the People's Partnership. The debt-to-GDP was 29 per cent when we came in. We took it to 42 per cent. [*Interruption*] I am responding, Mr. Deputy Speaker, to San Fernando East. The Member was probably not in the House.

Mr. Deputy Speaker: Overruled. Proceed.

Dr. T. Gopeesingh: Yes, right. You were not here, Faris. Mr. Deputy Speaker, we carried the debt-to-GDP from 29 to 42 per cent and within the four-year period, this Government has taken the debt-to-GDP from 42 per cent to 65 per cent. That is 23 per cent more. With a borrowing of \$26 billion so far, and now coming to ask for another billion here again, whether they say it is for HDC, or whether it is for anything else, it is another billion added to the borrowing. So by the end of four years, this Government would have borrowed close to \$27 billion, not including the \$4.2 billion that was removed from the Heritage and Stabilisation

Fund. And Mr. Deputy Speaker, I have the listing of the loans that HSF drawdowns by this present Administration in 2016 to 2019, including money borrowed from the CAF, which is the Corporacion Andina de Fomento Bank, and so on. And they must remember the Deutsche Bank and First Citizens Bank had arranged a bond in July 2016, of TT \$6.7 million, US \$1 million. That is included in this 21.86.

So, Mr. Deputy Speaker, they have no moral authority to speak about the issue of the performance of our Government, when the Minister of Finance in our Government never wanted to go beyond the 42 or 43 per cent debt-to-GDP, and he stuck us there with no more borrowings. But this Government feels liberal to borrow, and borrow, and borrow, and reach \$26 billion so far and asking for another billion. That is why we cannot give the Minister of Finance the authority to by order seek to get more money for whether it is housing development bonds, or anything else. And I make that point very clearly, Mr. Deputy Speaker.

I want to ask this question, and I am perplexed on this issue. In relation to this bond paying 4.5 per cent; fine, people must get some funding. It is beyond what the bank is paying at the moment, so it is something that is good.

6.25 p.m.

But when this same Government renegotiates a Petrotrin bond for US \$850 million, they are paying 9.5 per cent interest. How could you do that? Pay 9.5 per cent interest and which we inherited from 2008 to 2019, ten years, we would have paid almost US \$800 million in interest with the Petrotrin loan, a loan of \$850 million, you know how much that comes up to? Nearly \$6 million. So we would have paid in interest and principal over the last ten years, 9½ per cent in one loan and 7½ per cent in another loan. Where did they negotiate and this is a renegotiation that the Minister of Finance has not come clear with. How could this

country allow the Minister of Finance to renegotiate US \$850 million and \$750 million loans at 9½ per cent interest? This is unacceptable and—it cannot be. [*Desk thumping*] And the poor people now getting 4.5 per cent.

Mr. Deputy Speaker, I just want to raise a few other areas before I wind up because a lot of my colleagues would have said—would have raised the issues that I had decided to raise at some time. In Trinidad and Tobago we say we want to give houses to the low income. But, Mr. Deputy Speaker, almost 50 to 55,000 people have lost their jobs already. How could these people who have lost their jobs, go and say that, “I am trying to put in 5,000”. Where are they getting the money from in the first place? Where are they getting the money from?

Mr. Deputy Speaker: Members on the Government side front bench, please speak in softer tones. Proceed.

Dr. T. Gopeesingh: Fine, you want to give poor people a home and so on, but the poor people do not have a job, they do not have a job, 55,000 people have lost their jobs. And we are not speaking from the top of our heads. The other night on television it showed where the reports were made to the Minister of Labour and Small Enterprise Development, of 6,000 reports of unemployment that have taken place. Six thousand reports is only when an organization has laid off more than five people that you get reported. So 6,000 by five is 30,000 people, factually became unemployed within the last four years under this Administration. What about those who have not been reported where their organizations that would let off, one, or two, or three, or four? So how could these 50,000 people or 55,000 people get funding to buy homes whatsoever?

Hon. Member: Get new jobs.

Dr. T. Gopeesingh: So, it is not practical, it will not happen, the poor people are suffering and they will continue to suffer and you as a responsible government

must do something to alleviate the plight of the poor people of this country. They must be—you must try to find some degree of employment and raise their standard of living for all of them.

I want to give some statistics, Mr. Deputy Speaker, to illustrate some of the issues that we have, as far as mortgages in this country are concerned. This is an article written with work from the Central Bank. “Mortgage crisis looms for Trinidad and Tobago’s housing market”, Lalaine C. Delmendo, June 20, 2019, that is just about three or four months ago, and quoting figures from the Central Bank of Trinidad and Tobago:

“Mortgage loans outstanding surged by 37.2 % annually, on average, from 2004 to 2018...”

Mortgage loans outstanding according to the Central Bank of Trinidad and Tobago.

“Now an increasing number of homeowners are struggling with their monthly payments.”

So it is across the board, homeowners are struggling with their payments.

“Past due real estate loans climbed by almost 30 %...”—year—from beginning to the end—“to TT \$2.54 billion...”

Past due real estate loans. So in other words, people cannot pay their loans to the banks and to the finance companies, \$2.54 billion which they are supposed to pay, they are not paying. And that is:

“...in January 2019, according to the Central Bank of Trinidad and Tobago.

Non-performing real estate bank loans stand about 28 times higher than in the pre-crisis year of 2007.”

Non-performing real estate bank loans stand about 28 times higher than in the pre-crisis year of 2007.

I want to take this Government back, their minds, and the Prime Minister, the Minister of Finance and so on who were senior members of the Government, would remember the years in the 80s where people had to give up their homes. They walked into the banks and the finance companies and so on and said, “Here, take my key; I cannot pay it”. And this is the situation now, Mr. Deputy Speaker, so we are talking about homes and home ownership for the poor people. We need to get them lifted we need to give them the homes we all support that. But what about the lower, middle and the middle class who are not able to deal with the things. Even two people working in a home are now finding it difficult to keep their mortgage and they would have—many of them would have lost their jobs, Mr. Deputy Speaker. So it is a very depressing situation at the moment.

So in closing, Mr. Deputy Speaker, we ask that these two areas be removed from the Bill. We ask the Minister of Finance to clear up some of the issues which we raised, we ask the Minister of Housing and Urban Development at some subsequent time, at their disposal, to be able to tell the country in an honest way, I am not saying anybody is dishonest, but in a straightforward way, the issues related to the home construction, how much did they have constructed, how many are under construction, how many have distributed, et cetera, and so on.

Mr. Deputy Speaker, my colleagues raised all the other issues that I wanted to raise and I thank you very much for giving me the opportunity. [*Desk thumping*]
The Minister of Finance (Hon. Colm Imbert): Thank you, Mr. Deputy Speaker. In listening to Members opposite I detected a certain apprehension. And giving it some thought I came to the conclusion that the Members opposite might be concerned that this measure, the introduction of HDC Housing Bonds, might provide the HDC with the cash flow it requires to accelerate its housing programme and thereby win the next general election. That is the kind of vibe I

was getting from Members opposite. They seem to be scared of this Bill. But more importantly, Mr. Deputy Speaker, quite a few of the statements made by the Members opposite made absolutely no sense, absolutely no sense. Let me deal with them one by one.

The Member for Oropouche East demanded that the money raised by these bonds must be used for housing construction. What that told—and the HDC must not be allowed to use the money for any other propose. Full of sound and fury when he was saying that. All that tells me, Mr. Deputy Speaker, the Member did not read this Bill, or the parent Act. The proceeds of these bonds go to the Government, go to the Government. It does not go to the HDC, or any other authority. When the Government issues savings bonds, all of the proceeds of these bonds go the Government, goes into the Consolidated Fund and it is used for the service of the Republic of Trinidad and Tobago. So there is no question of the proceeds of the bonds going directly to the HDC for them to use for all sorts of frivolous reasons. It goes to the Government who then disburses in the normal manner to the HDC under the Infrastructure Development Fund for particular construction projects, Mr. Deputy Speaker.

So, all that told me when I heard what the Member for Oropouche East said, and the fearmongering that he raised, is that he had not read the Bill and he does not understand the Government Savings Bonds Act. The reason why we are calling them HDC bonds ties into another point which nobody on the other side understood. Although I will forgive the Member for Tabaquite, I am not sure if he brought it up. But I know that the Member for Caroni East and the Member for Oropouche East were making a huge noise about this, about the transferability of the bonds. And I heard the Member for Caroni East in particular saying, “We not agreeing to that, these bonds must not be transferable”. Again, that tells me the

Member for Caroni East does not understand this Bill and does not understand the parent Act.

The reason why we are introducing the concept of transferability which will be in regulations, I was very clear about that, that the transferability will be in regulations, was to allow somebody who purchases these bonds to transfer the bonds to the Housing Development Corporation. It is simple—

Dr. Gopeesingh: Why did you not say that?

Hon. C. Imbert: Oh, please. Oh, please, Mr. Deputy Speaker. [*Laughter*] The problem with the Members opposite, they do not listen, they do not read, they do no research, they do not bother to understand anything. Because, Mr. Deputy Speaker, we are amending a savings bond Act and we are creating a unique type of bond, a HDC Housing Bond, which somebody can give to the HDC and receive a discount on the price of the house—

Dr. Gopeesingh: Will the Member give way?

Hon. C. Imbert:—but—no. But since, Mr. Deputy Speaker, bonds are issued in the name of a person, because when a bond is issued whether for three years, five years, or seven years, it is issued to a person and it would be a non-transferable if you get the cash when the bond matures, so you get interest. You would get interest every six months—[*Interruption*]. Oh please, Mr. Deputy Speaker, would you—look, I “cyah” be listening to all this crosstalk. Please control the other side.

Mr. Deputy Speaker: Again, Minister of Finance, kindly proceed. And again, Members, questions were asked and I think the Minister of Finance is making a response. So let us listen please, according to the decorum of the House. Proceed.

Hon. C. Imbert: Well, let me do this slowly so everybody on that side will understand. When you issue a savings bond, a savings bond is in the name of a person. The person cannot transfer that bond to anybody else unless they are

authorized to do by the issuer of the bond. Prior to this amendment, government savings bond could not be transferred to anybody. The person would have to keep the bonds and wait until the bonds mature and then get their principal sum back at the end together with interest at six-month intervals.

So a bond like that, a standard government savings bond could not and cannot be used to pay the down payment on an HDC house because the bond cannot be transferable to anybody else. So we have put in a provision here that these HDC bonds will be transferable to the HDC, not to Massy, not to ANSA McAL, not to bp. It should have been obvious to the Members opposite that that is why they are called HDC Housing Bonds and that is why the bonds are transferable.

Dr. Gopeesingh: Put it in the law. [*Crosstalk*]

Hon. C. Imbert: So, Mr. Deputy Speaker—be quiet. So, Mr. Deputy Speaker, that is the reason why we are creating transferable bonds, so that persons can save \$1,000 a month as the case may be, when they get up to the 35/\$36,000 they can then take these bonds and transfer them to the HDC and then they will get a discount in an equivalent amount of 35 or \$36,000 from the purchase of a house. What this does is twofold, Mr. Deputy Speaker. It gives the person, the bondholder, the opportunity to keep the bond. They can keep it until the end and simply keep the principle and collect the interest throughout the period of the bond, or they can save up the bonds to get to a certain amount and then use it for a down payment on an HDC house by transferring the bond to the HDC.

So all of this ole talk about institutional investors, I heard the Member for Oropouche East screaming about only institutional investors, large people, big boys, rich people would be able to get these bonds because we are going to transfer the bonds to all of these big companies and so on. That is all nonsense, Mr.

Deputy Speaker. The bonds will be transferable only to the Housing Development Corporation. The other points made by the Members opposite which made no sense are, who would be able to buy these bonds? Who has the money to save? Nobody has any money. You know, we heard the same ole when we launched the National Investment Fund; the same ole talk. Nobody will invest that. The country has no money. It is a Ponzi scheme. [*Crosstalk*] There is no appetite in the marketplace.

Mr. Deputy Speaker: Silence, silence, Members, please. Proceed, Minister.

Hon. C. Imbert: Thank you, Mr. Deputy Speaker, we heard all of that when we launched the National Investment Fund. The National Investment Fund was oversubscribed by in excess of \$3 billion, Mr. Deputy Speaker, oversubscribed in excess of \$3 billion. And, sometimes the things that Members opposite just make no sense, because if somebody wants to buy an HDC house, you “doh” buy a house with “jumbie beads”, you know. You have to buy it with money.

So therefore, if someone is desirous of purchasing an HDC house, they must accumulate cash in one form or fashion. They cannot go to the HDC with empty hands and say, “I want to buy a house”. So this theory that nobody would be able to utilize these bonds and nobody will be able to buy houses is nonsense. The same people who are lining up at the HDC every day and finding different ways, innovative ways through family, through friends, and so on, to raise the necessary funds to make the down payment. The same people, the thousands of people, I dare say, at least 50,000 people, I have looked at the statistics, at least 50,000 people will have the wherewithal, when you look at the HDC list. At least 50,000 will have the wherewithal to accumulate these bonds to make the necessary down payment for an HDC house and also qualify for the monthly mortgage payments, Mr. Deputy Speaker.

So what we are doing here, instead of somebody having to leave their money in the bank and earn zero per cent—because you have to save to make the down payment on a house. Zero per cent, leave it there, year, after year, after year, earning zero per cent. What we are doing is giving citizens, the little people of this country, the opportunity to get a decent investment return on their savings, Mr. Deputy Speaker, who could be against that? Right now they have to leave their money in the bank or leave it under the mattress and get zero. We are giving them 4½ per cent, Mr. Deputy Speaker. Anybody who is opposed to that is not right in the head, not right in the head.

So that all of this ole talk about nobody will be able to do it, is nonsense. If nobody is able to do it, then nobody will also be able to buy an HDC house. But they have 175,000 people “gone by HDC for a house”, and as I said, a substantial number of them have qualified and will qualify for the HDC house. What this gives them is the ability to save over time to encourage a culture of savings in this country. We have to encourage a culture of savings in this country. And this is one way to get people to invest in property because property is a lifetime investment, Mr. Deputy Speaker.

So that—and the other fallacy uttered by Members opposite about who will invest in these bonds. If there is no cash flow to the HDC, then there are no houses to be built. What is the HDC going to build the houses with, “jumbie beads”? The same way—what is the person going to buy the house with, “jumbie beads”, “is the HDC go build de house with jumbie beads”? So this deals with two issues, Mr. Deputy Speaker. It allows cash to come into the Consolidated Fund which can then be directed towards the Housing Development Corporation to build the very houses that people are demanding from the Government.

Mr. Deputy Speaker, I was looking through the other statements here. I was

looking through all the statements here, and the last thing I will deal with is the screaming of the Member for Caroni East about the Petrotrin bond. The UNC government took five years and left that US \$850 million bond untouched, knew at an interest rate of 9.75 per cent. The same interest rate, they left it there for five years, five years, Mr. Deputy Speaker, between 2010 and 2015. [*Crosstalk*] And the UNC government did absolutely nothing to put Petrotrin into a position where it would be able to refinance that bond as it came up for refinancing in August of this year, they did nothing, nothing. [*Crosstalk*] They fiddled while Rome burned. Mr. Deputy Speaker, this running commentary from the other side, please.

Mr. Deputy Speaker: Proceed, Member. I dealt with it.

Hon. C. Imbert: Proceed with the running commentary?

Mr. Deputy Speaker: I dealt with it, Member. I dealt with it, proceed.

Hon. C. Imbert: “Well, I doh know, I still hearing them.” So with respect to Petrotrin, Mr. Deputy Speaker, if the refinancing had failed, “you woulda hear them, you woulda hear them scream”. And I want to pay tribute today to the members of the board of Trinidad Petroleum Holdings Limited who were able to refinance the equivalent of almost TT \$6 billion, TT \$5.8 billion. They were able to get that refinanced without a government guarantee, without a government guarantee. [*Crosstalk*] Mr. Deputy Speaker, the Member for Naparima is screaming, the Member for Caroni East is screaming, Mr. Deputy Speaker.

Mr. Deputy Speaker: Member for Oropouche East, one second, just one second. Again, Members, silence while a Member is on the floor. Minister of Finance, proceed.

Hon. C. Imbert: Thank you, Mr. Speaker, the point I am making is that if the refinancing of the Petrotrin bond had failed, you “woulda” hear them cry. What is

hurting them is that the people we had dealing with this matter were able to successfully refinance \$5.8 billion worth of debt, smoothly without any fuss and without a government guarantee, thereby preserving this country's credit rating. Because, Mr. Deputy Speaker, if they had not done that—because all they did is refinance it, all this noise about interest rates, the bond was already at 9.3—and three-quarters per cent, the same rate. So they were able to successfully refinance it at the same rate, Mr. Deputy Speaker.

So that there is one point that I would like to make at the committee stage, Mr. Deputy Speaker, at the committee stage. I would delete clause 4(c) of the Bill and that is the clause that would give the Minister the power to increase the quantum of Government savings bonds by Order, and we will leave it, Mr. Deputy Speaker, in its existing form, which is by affirmative resolution. And I am very happy and proud, Mr. Deputy Speaker, to be able to pilot this legislation today which is going to allow thousands of little people in this country to save towards one of their dreams, which is owning a home. I am proud to be part of this innovative Government that comes up with these modern ideas and modern solutions to life in Trinidad and Tobago. I beg to move, Mr. Deputy Speaker.
[Desk thumping]

Question put and agreed to.

Bill accordingly read a second time.

Mr. Deputy Speaker: Hon. Members, before we proceed, I would like to call on the Leader of the House to do the Procedural Motion.

PROCEDURAL MOTION

The Minister of Planning and Development (Hon. Camille Robinson-Regis): Mr. Deputy Speaker, in accordance with Standing Order 15(5), I beg to move that this House continue to sit until the conclusion of the matters before it.

Question put and agreed to.

GOVERNMENT SAVINGS BONDS (AMDT.) BILL, 2019

Bill committed to a committee of the whole House.

House in committee.

Mr. Chairman: Hon. Members, as we convene the committee of the whole, Members, we received one amendment from the Member for Oropouche East, right. It was just handed to the Chair and copies are being made at this time.

Hon. Member: Copies are being made?

Mr. Chairman: Photocopies, copies of the amendment are being made at this time. And you have one amendment that you would like to make, so is it that it is the wish of the House that we suspend for a couple of minutes or we can proceed and by that time we will get the copies in order to proceed?

Mrs. Persad-Bissessar SC: We can do it on the floor.

Mr. Chairman: It can be done on the floor with the information? Okay.

Mrs. Persad-Bissessar SC: The Minister is saying that he will do his on the floor. So I am sure the Member can.

Mr. Chairman: Well, again, according to the correct procedure, as you all are fully aware, is that, you know, it must be presented with ample time and so on as the case may be. But if it is the desire of the House to proceed, we shall proceed. All right. Both sides, both sides, right.

Clauses 1 to 3 ordered to stand part of the Bill.

6.55 p.m.

Clause 4.

Mr. Chairman: Okay. Members, clause 4. List of amendments to be moved by the Member for Oropouche East in the House of Representatives at the committee stage of the Government Saving Bonds (Amdt.) Bill, 2019 on Friday, September

20, 2019.

Question proposed: That clause 4 stand part of the Bill.

Mr. Chairman: Oropouche East.

Dr. Moonilal: Mr. Chairman, I beg to move that clause 4 be amended as circulated.

Mr. Chairman: Minister of Finance, you would have a copy? Read it out, Member.

Dr. Moonilal: I need a copy. The section 4 be amended by deleting 4(a) and 4(c), but first to 4(a).

Mr. Imbert: No. Do it all one time.

Dr. Moonilal: Chairman, could I explain?

Mr. Chairman: Yes, proceed. Now, the document I have before me is clause 4(a), delete paragraph (a) and (b) delete paragraph (c). That is the correct document. Proceed, Oropouche East.

Dr. Moonilal: By deleting paragraph (a). Mr. Chairman, I heard the Minister in the winding up speak to this matter and I am requesting through you, Chairman, while we understand what the intention is from the Minister whether or not this could be re-crafted in another way to suggest that the bonds would be transferable with the authority of the Minister to the HDC for the purpose of mortgage financing, but to put in the law that it cannot be transferable to any other entity or on the secondary market or to other institutional investor. So to limit that power to transfer to the HDC because the Minister said that is the reason why the intention is that the Minister must have the power because the bond holder has to transfer that bond to the HDC. And if we could put in the law, craft at this time that is solely for that purpose and no other purpose.

Mr. Chairman: Minister of Finance.

Mr. Imbert: Mr. Chairman, the preceding clause made it clear that these bonds are solely for the purchase, the purpose of the purchase of houses from the Housing Development Corporation by individuals. And therefore, Mr. Chairman, it cannot be transferred to a corporation because if it is, that will be in conflict with the earlier clause. I am sorry, Mr. Chairman, we cannot agree to that. It is obvious that these bonds are for the purchase of the HDC houses, and the reason why you want to make them transferable is that, if a person decides they want to purchase an HDC house with these bonds rather than allowing them to go to maturity and then encash them, that they can hand them into the HDC, the bonds will be transferred to the HDC, and the person's purchase price will be reduced accordingly. The preceding clause makes it clear what is the purpose, it cannot be used for any other purpose.

Mr. Chairman: Okay. Oropouche East, your response, and then I will go to AG.

Dr. Moonilal: Siparia.

Mr. Chairman: You give way to Siparia?

Dr. Moonilal: Yes, please.

Mr. Chairman: Okay. Member for Siparia.

Mrs. Persad-Bissessar SC: Thank you very much. If what the Minister is saying is in fact so, then why is it necessary to make that further change? If you are saying the preceding clause makes it abundantly clear it is for a particular purpose, then why are you putting in this further clause or transferability?

Mr. Chairman: Minister of Finance.

Mr. Imbert: Because the bonds are in the name of a person, an individual.

Mrs. Persad-Bissessar SC: So what is there to preclude this being transferred to someone else?—an institutional investor and not to the HDC.

Mr. Imbert: An institutional investor cannot use the bonds to purchase an HDC

house. There are criteria for eligibility to purchase a HDC house: you must be an individual, a first-time homeowner, you must not have no other property, you must have a joint income of \$25,000 or less. A bank or an institutional investor cannot use these bonds for any purpose.

Mrs. Persad-Bissessar SC: Minister, out of an abundance of caution, can we suggest that where you want to insert this word “transferable” that we put expressly in the clause “transferable to the HDC”.

Mr. Imbert: I would not want to do that because—

Mrs. Persad-Bissessar SC: That way you are sure it is not going anywhere else.

Mr. Chairman: Members, hon. Members.

Mr. Imbert: I would not want to do.

Mr. Chairman: One second. I would like to bring in the AG at this time because he has had his hand up for a while.

Mr. Al-Rawi: Thank you, Mr. Chair. First of all, Mr. Chair, the Interpretation Act and the general rules of interpretation of laws prescribe that you must read the law as a whole. To verify and to amplify what the Minister of Finance has put, the new section 2B which is part of section 2 of the Act makes it specific that it is for the Housing Development Corporation by individuals. The mischief painted by the Member for Oropouche East and by the Member for Siparia is the concept of an institutional investor. An institutional investor is not an individual, this law does not say a person. If we had used the concept “person” in law, then you would permitting corporate entities and individual entities and that, again, Mr. Chairman, is part of the Interpretation Act.

Further, the concept of an institutional entity investing in this would be ultra vires for the entity because they would not have the ability to invest in a product which stands outside of the purpose of the bond, so that would never pass muster

from a securities law perspective.

In all of those circumstances, Mr. Chairman, the law as it stands here with the transferability is to be supported, and I want to add that it is echoed by section 4 of the Act itself. In section 4 of the Act, the concept of transferability to personal representatives was contemplated here in the concept of death.

It must be borne in mind, Mr. Chair, that when we are introducing into the Schedule, this fifth species of bonds, Housing Development Corporation Housing Bonds, these bonds are in a category of their own. The other species of bonds, Government Savings Bonds, those are individual aspects. National tax free savings bonds, national tax free housing bonds, national savings bonds, in and of themselves they are different.

The last point that I will make is that section 8 of the parent law permits the Minister to make regulations for the carrying out of the purposes of the Act, and then it includes certain matters, but certainly it does not exclude the ambit of section 2B and section 3 of the Act. All of those reasons in the round make the submissions coming from the Opposition otiose.

Mr. Deputy Speaker: Oropouche East.

Dr. Moonilal: Thank you very much. Just—I mean, I have heard the Attorney General and I would just like to refocus through you, Chair, to the Minister of Finance. In the contribution I made earlier, the point I was making is not that the individual will necessarily want to transfer bonds to an institution because an institution will not buy, they cannot, an institution cannot buy an HDC house. That is very clear.

What prevents, with the power of the Minister is now giving himself, is a situation where—and I will just call names, where NGC, for example, buys \$100 million in bonds and with the power the Minister now has, that could be transferred

to a private bank out of Jamaica, for example. So that after a while a private foreign entity accumulates all the bonds that were initially purchased by state enterprises, that power will now be in Minister of Finance to transfer. And that is the mischief I spoke about earlier, not individuals selling to banks and so on and banks buying house, the banks and the institutional investors will not buy an HDC house, but what they can do with that power the Minister has now is they can be moving bonds, millions and millions of dollars from one institution to another, and the other one can develop a monopoly over this.

Mr. Chairman: Okay. AG or the Minister of Finance?

Mr. Imbert: Mr. Chairman, that is a fanciful theory that the Member has constructed; it is far from reality; it is impossible. The bonds are individuals, they cannot be transferred to institution and then to another institution in another country. It cannot happen.

Mr. Chairman: Right. Attorney General. [*Crosstalk*]

Mr. Al-Rawi: Yeah. Mr. Chair, just to answer—

Mr. Chairman: Members, hold on. Attorney General and then Chief Whip, do you still have a point you want to make? So I will have the Attorney General and then the Chief Whip and then we will bring it to a conclusion.

Mr. Al-Rawi: To address the Member's concern, first of all, a bond has to be issued on the back of a prospectus. The issuance of a prospectus must be guided by the securities industry's rules and regulations and laws.

Thirdly, is that the regulations to be offered under section 8 of the Act will deal with the condescending particulars as to how this thing can be managed. So to address the Member's concern, whilst that concern has been put forward, it is addressed in the round by a combination of the securities legislation, and also the regulations to be promulgated under section 8 of the Act.

Dr. Gopeesingh: Mr. Chair—

Mr. Chairman: Member for Pointe-a-Pierre.

Mr. Lee: Thank you, Chair. I just want to ask either the AG or the Minister, based on the clause here, can it be transferred between individuals so that David Lee can purchase from Rodney Charles?

Mr. Chairman: Minister of Finance.

Mr. Imbert: I have made it clear that the intention of this, and this will be in the regulations which are now going to exist as a result of clause 5 of the Bill, we are now putting in the power for the Minister to make regulations for these housing bonds, that those regulations will state a number of things. It will state the tenor of the bonds, they will state the interest rate, and they will indicate who these bonds can be transferred to, and they will be transferable to the HDC. And the parent law, Member for Pointe-a-Pierre, well obviously you are not interested in the answer.

Mr. Chairman: Please.

Mr. Imbert: He is looking away. In the parent law as the AG said, the bonds are transferable on death to the legal personal representative of the deceased, so those are the two elements of transferability. If a person passes away, the bonds can be transferred to their personal legal representatives or to the HDC, and that has to be addressed in regulations.

Mr. Chairman: Right. Member for Caroni East.

Dr. Gopeesingh: Thank you, Chair. The hon. Minister of Finance is asking us to accept his word that the regulations will contain what we are discussing. We are not privy to the regulations at the moment, and therefore, how can we guarantee that it is going to be there?

Mr. Chairman: Attorney General.

Mr. Al-Rawi: As a matter of law, in the case of *Pepper v Hart*, the mover of the

Motion, the Bill, in this instance, the Minister of Finance is on parliamentary record speaking to the purpose of the law. If the Member were to go outside of that position he will be offending the interpretation of the law and the undertakings of parliamentary practice, so that is, again, most respectfully a fanciful position put forward.

The fact is, we often pass laws with the ambit for amplification of regulations and subsidiary laws speaking to the particulars. In those circumstances, the Minister is on record saying what the purpose is.

Mr. Chairman: Caroni East.

Dr. Gopeesingh: Yeah. The Attorney General is stating that what the Minister is indicating, he will be held accountable according to parliamentary issue. Regulations are brought either for affirmative support or support by negative resolution. We do not know how you are bringing this, whether negative resolution or affirmative resolution. All regulations as you know, Attorney General, have to undergo that process. So when are we going to see those regulations to know whether is it going to be negative or is it going to be affirmative.

Mr. Chairman: Attorney General.

Mr. Al-Rawi: Mr. Chair, the Government actually intends to delete the purpose of paragraph (c) in clause 4, we have not come to that just yet which will revert us to what the original law speaks. The original law as it has stood on the books of Trinidad and Tobago for umpteen years, is that they are to be done by regulations. So we propose not to have the amendment done by way of order, and to revert to what the existing law is, with the four species of bonds as set out in the Schedule, now adding a fifth one, done by regulations. It is in the parent Act.

Mr. Chairman: Right. Okay. Members, Oropouche East, and it will be dependent on your comment whether we will go back to the AG or the Minister of Finance.

Oropouche East.

Dr. Moonilal: Chairman, through you, I really would like to want to bring this thing to an end too. Could I ask the Minister of Finance to just go on record at this moment and indicate to the Parliament on the record and the population that these bonds will not be sold to institutional investors and to individuals alone?

Mr. Chairman: Again, Member, again, as the Chairman indicated, it has been mentioned on more than one occasion on the record of *Hansard*, and the Attorney General and the Minister of Finance have stated clearly in terms of the regulations being negative or positive, again, they are bounded by law.

Dr. Moonilal: The Minister of Finance indicated that the bonds would be sold to individuals. I am just saying, could you go on the record and say that bonds will not be sold to institutional investors.

Mr. Chairman: Minister of Finance.

Dr. Moonilal: That is all.

Mr. Imbert: Mr. Chairman, we are going around in circles. The Members asked me—

Mr. Chairman: You have the last comment here, Sir.

Mr. Imbert:—they are asking the same question over and over, getting the same answer over and over, I have said it already, I do not need to say it again. I have said it five times, I do not intend to say it a sixth time. I have said it five times.

Mrs. Persad-Bissessar SC: What did you say?

Mr. Chairman: I have said that these bonds are to be transferable to the HDC only.

Mr. Chairman: Members, Members—

Dr. Moonilal: Could I just repeat the question?

Mr. Chairman: Members, no. Hold on. Hold on, Oropouche East, hold on. I

made it clear that based on your comment, we will go to the Minister of Finance. I will now have to proceed. Okay.

So, hon. Members, the question is that clause 4 to be amended as circulated by the Member for Oropouche East, related to paragraph (a).

Question, on amendment, [Dr. R. Moonilal] put and negatived.

Mr. Chairman: The other amendment to clause 4. The question is that clause 4, as amended and as circulated by the Minister of Finance related to paragraph (a), stand part of the Bill.

Mr. Al-Rawi: Mr. Chair, for the record, we have started, for the record, Mr. Chair, “Pips” notwithstanding. Mr. Chairman, we are on Oropouche East’s comment, we have to finish first. [*Crosstalk*]

Mr. Chairman, procedurally you are on Oropouche East, you did with 4(a), you have not dealt with 4(c), so as put the question is in relation to 4(c) of Oropouche East. Then we go the Government’s proposals. Are you conflating the two?—just asking.

Mr. Chairman: We must do (a), (b) and (c).

Mr. Al-Rawi: I see.

Mr. Chairman: Right? So therefore—

Mr. Al-Rawi: But, Mr. Chair, let me just explain this, if you will. Because we have rejected (a), and we propose to come to (c), the movement of the colon on the word “and” is material in the text, and for those reasons, Mr. Chair, the amendments that the Member for Oropouche East are putting forward conceptually make sense, but they are wrong in text because the colon and the word “and” would have to be managed. [*Crosstalk*] Could Siparia, please, just clam down?

Mr. Chairman: No. Please, please. Right. [*Crosstalk*]

Mr. Al-Rawi: I am explaining why it is that one cannot vote for (b) in its current

form if we do not amend what is to come next in terms of the colon and the word “and”.

Mr. Chairman: Minister of Finance.

Mr. Imbert: Mr. Chairman, if you look at the amendment that I have circulated, I have amendments to 4(a), 4(b) and 4(c). I do not know if you have put my amendment to 4(a).

Mr. Chairman: No. Not as yet, Minister of Finance.

Mr. Imbert: So if we could dispense with that, please.

Mr. Chairman: Okay. So according to the procedure, I must go to (b) which is the one from the Minister of Finance, the Government’s amendment.

Mrs. Robinson-Regis: Sorry. Mr. Chairman, the Government also has an amendment to 4(a), so I think what we should do now is put the Government’s amendment to 4(a), and then move to the Government’s amendment to 4(b) and then do the two 4(c)s. Thank you. Yes.

Dr. Moonilal: But the Government has now come up with an amendment to 4(a). We did not hear of that earlier.

Mrs. Robinson-Regis: Well you are hearing about it now.

Mr. Chairman: Right. So, Members, we will proceed now, so we will proceed to the Government’s amendment to 4(a). Right? So we shall proceed. Right. So, Minister of Finance, move your motion.

Mr. Imbert: Yes, Mr. Chairman, I would like to amend—I am proposing that we amend 4(a) of the Bill by inserting the word “and” at the end of the paragraph at the end of (a).

Mr. Al-Rawi: And that is because we wish to delete (c).

Mr. Chairman: Okay.

Mr. Imbert: Just a grammatical correction.

Mr. Al-Rawi: Mr. Chair, it is to facilitate the proposed amendment to delete (c) as we go lower, so therefore, we are transposing the word “and” from (b) to (a). So the proposal to (a) is to include the word “and” because we propose to delete (c) a little bit later down.

Mr. Chairman: So the question is that clause 4(a) be amended as circulated by the Minister of Finance.

Question, on amendment, put and agreed to.

Mr. Chairman: We now move on to the Government’s amendment to paragraph (b). Minister of Finance.

Mr. Imbert: Yes, Mr. Chairman, again, we are deleting the word “and” because it is our intention to delete the next subclause. Sorry, we are adding the word—no, we are deleting the word “and” because our intention is to delete the next subclause, and that is what I propose.

Mr. Chairman: The question is that clause 4(b) be amended as circulated by the Minister of Finance.

Question, on amendment, put and agreed to.

Mr. Chairman: We are moving on to paragraph (c), Minister of Finance.

Mr. Imbert: Yes.

Mr. Chairman: Proceed.

Mr. Imbert: I am proposing we delete paragraph (c), subclause (c).

Mr. Chairman: Member for Oropouche East, is that the same—

Dr. Moonilal: Delete paragraph (c) as well.

Mr. Chairman: Right. So the question is that clause 4(c) be amended as circulated by the Minister of Finance and also the Member for Oropouche East.

Question, on amendment, put and agreed to.

Clause 4, as amended, ordered to stand part of the Bill.

Clause 5.

Question proposed: That clause 5 stand part of the Bill.

Question put: That clause 5 be ordered to stand part of the Bill.

Dr. Gopeesingh: Mr. Chairman—

Mr. Chairman: No. Member—

Dr. Gopeesingh: No. No. No. I put up my hand there, I have a question on clause 5.

Mr. Chairman: No. But, Member, I would have looked up and given you the—

Dr. Gopeesingh: You said—[*Crosstalk*]

Mr. Chairman: This question has already been put. [*Crosstalk*] Member, the question has already been put. The procedure is that I looked up, as usual and— [*Crosstalk*] No. Your light was not on and you did not acknowledge.

Dr. Gopeesingh: I do not put on my light, they put it on for me. [*Crosstalk*]

Mr. Chairman: But you did not acknowledge. [*Laughter*] So, again, sorry, Member.

Question agreed to.

Clause 5 ordered to stand part of the Bill.

Question put and agreed to: That the Bill, as amended, be reported to the House.

House resumed.

Bill reported, with amendment, read the third time and passed.

**PRIVATE MEMBERS' BILL
(LEAVE TO INTRODUCE)**

Mr. Deputy Speaker: Hon. Members, you are again reminded that in accordance with Standing Order 61(3) and (4), the Leader of the Opposition has a maximum of five minutes to make an explanatory statement, and any Member opposing the Bill will be given a maximum of two minutes to address the House. I will now call on

the Leader of the Opposition. [*Desk thumping*]

Mrs. Kamla Persad-Bissessar SC (Siparia): Thank you, Mr. Deputy Speaker, I beg to move the following Motion standing in my name:

Be it resolved that this House grant leave for the introduction of a Private Members' Bill entitled the Sedition (Repeal) Bill, 2019.

Mr. Deputy Speaker, the sedition laws in our country date back to centuries ago at common law, and were really crafted with the intent of protecting the right of the Crown, the King. Sedition in the common law had to do with stemming from what was known as the divine right of kings, so that you had no place to say anything about the Crown and the King. Those laws, through the common law, came into statute throughout the Commonwealth, many of the Commonwealth countries.

One hundred years ago in Trinidad and Tobago was a very important time for the labour movement. That was in the year 1919, so you had all the labour uprisings, and those labour uprisings with Butler and others. [*Crosstalk*] Sorry 1919, yes, I am sorry. One hundred years ago in 1919, we are now in 2019, the labour uprisings and you saw the rise of Butler and the other labour rights, the labour movement, in 1919—

Mr. Deputy Speaker: One second. Members, one second. Right. Members, [*Crosstalk*] please, I am on long my legs, please. Right. The Member for Siparia has five minutes, and then on the Government side there are two minutes. Right.

Hon. Member: Injury time?

Mr. Deputy Speaker: Again, I will decide. Right? So please, proceed.

Mrs. K. Persad-Bissessar SC: Thank you very much, Sir. In 1919, this was just one year after the end of World War II [*Crosstalk*] the utility workers—[*Crosstalk*] World War I. Mr. Deputy Speaker, I am a little under the weather with the flu,

so—[*Laughter*]

Mr. Lee: Standing Order 53 please, I cannot—[*Crosstalk*]

Mr. Deputy Speaker: Okay, Members. [*Crosstalk*] Members, silence, silence. Proceed, Member.

Mrs. K. Persad-Bissessar SC: One year after World War I, Mr. Deputy Speaker, there were a lot of strikes with workers and so on against the backdrop of low wages and, of course, all had to do with the empowerment of persons who had gone off to fight that war. And right here what we saw happening is, because of the marches and the arrest of leaders and so on, the British troops were increased here, a colonial society at that time. And what followed those uprisings with the labour movement in 1919, was the very repressive sedition law which is our Sedition Act of 1920. So basically that Act was aimed to clamp down not only on speech, but also on publications that were seen as threats to the colonial order.

Marcus Garvey's newspaper, the *Negro World*, which was read across the colony, our colony then, was one of the targets of this legislation along with a long list of other banned literature which included Marxist, anti-imperialist, trade union and black publications. And then we saw the work of Marcus Garvey, Elma Francois and Butler himself. So their militarism in the trade union movement led to the codification of the sedition common law into the statute that we know now as the Sedition Act, and that is really the history of the legislation.

7.25 p.m.

And up to today I do not think people know that in this Sedition Act, under the Prohibited Publications Order made, over 105 publications are prohibited and banned, and if you were to have these in your possession you could be arrested under the sedition law. Mr. Deputy Speaker, should Cuba send a newsletter, Granma, or whatever, should the Soviets or China, all of these in here would be

Private Members' Bill (cont'd)
Mrs. K. Persad-Bissessar SC (cont'd)

2019.09.20

banned, prohibited and banned.

So, Mr. Speaker—

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

Mrs. K. Persad-Bissessar SC: Yeah, sure, I will take that minute. That is the history of it. And they are saying we should repeal this law now because it is unconstitutional, in breach of fundamental rights. Secondly, it is vague and uncertain and against the principle of illegality, it is in breach of section 1 of the Constitution of Trinidad and Tobago which are the democratic rights. And finally there are several other statutes on our statute books that will replace it. There is no need to put a replacement law and this should be repealed forthwith. [*Desk thumping*] I ask to be granted leave to introduce this Bill for debate in this House. I thank you and I beg to move. [*Desk thumping*]

Mr. Lee: Mr. Deputy Speaker, I beg to second this Motion and I reserve my right to speak.

The Minister in the Ministry of the Attorney General and Legal Affairs (Hon. Fitzgerald Hinds): Thank you. The Member for Siparia, Mr. Deputy Speaker, sounded rather confused, maybe because she is recovering from a severe “bout of Pip”. [*Crosstalk*]

Mr. Deputy Speaker: One sec. Member, Member, [*Crosstalk*] please, please.

Mr. Indarsingh: Shameless, shameless.

Mr. Deputy Speaker: No. Members, [*Crosstalk*]

Mr. Indarsingh: Shameless remarks.

Mr. Deputy Speaker: Members, [*Crosstalk*] Members. Colleague—[*Crosstalk*]

Hon. F. Hinds: Mr. Deputy Speaker—

Mr. Deputy Speaker: Wait. Member for Laventille West, one second, hold, hold until I call on you. Right. So Member for Pointe-a-Pierre, you have, for the record

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Hon. F. Hinds (cont'd)

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you have seconded the Motion?

Mr. Lee: Yes, Sir.

Mr. Deputy Speaker: Nice, fine. Hon. Members, the Motion now being seconded, I shall now propose the question for debate.

Question proposed.

Mr. Lee: Mr. Deputy Speaker, the Member for Laventille West, 48(4) and (6). [*Crosstalk*] Yeah, but I want it withdrawn from whatever his statement was.

Mrs. Persad-Bissessar SC: It is on the *Hansard* record.

Mr. Deputy Speaker: Members, again. Hold on. [*Crosstalk*] Members, for the record, in all fairness, whatever was said did not reach the ear of the Speaker. I was in discourse with the Clerk at the time, but Member for Laventille West, is it a statement that you need to retract?

Mr. Indarsingh: Yes, yes.

Hon. F. Hinds: I think not, Mr. Deputy Speaker.

Dr. Moonilal: The *Hansard* has a record—

Hon. Member: His time is running, eh.

Mrs. Robinson-Regis: His time is not running.

Mr. Deputy Speaker: No. All right. So, Member, proceed. You start now.

The Minister in the Ministry of the Attorney General and Legal Affairs (Hon. Fitzgerald Hinds): Thank you very much. The Member for Siparia, Mr. Deputy Speaker, had no concern about repealing this law or no issue with it for 11 years when she and her team were in Government—

Hon. Member: She?

Hon. F. Hinds: The Member. They had no concern about it, not even during the state of emergency, when the Member as Prime Minister and the Attorney General bullied a 13-year-old for making comments on Facebook in this matter.

Hon. Member: It is true!

Hon. F. Hinds: Not even then. So to suggest, Mr. Deputy Speaker, to seek leave to want to repeal this law, is in my view, reckless, irresponsible and foolhardy in the face of the people of Trinidad and Tobago. [*Desk thumping*]

Mr. Mitchell: I second that.

Hon. F. Hinds: And, Mr. Deputy Speaker, 55 countries on our research, have laws to deal with this problem. We have no issue as a Government to consider reviewing this law, but while we have no issue with that, we must replace it with something because there is a problem, as her friend and political friend demonstrated, it cannot be allowed to be taking place in the society without redress, and, Mr. Deputy Speaker, we reject that Motion forcefully. [*Crosstalk*] Because it is reckless and irresponsible to want to repeal this law without any viable solution for a replacement. Mr. Deputy Speaker, we reject this Motion and we stand on that. [*Desk thumping*]

Mr. Deputy Speaker: No more speakers are allowed in this debate. [*Crosstalk*] Members, Members. Listen! Members, I have ruled, I have ruled, I have ruled. [*Crosstalk*] Hon. Members—Members, please!

Question put.

Mrs. Persad-Bissessar SC: Division, please, Sir. [*Crosstalk and laughter*]

Clerk: Mrs. Robinson Regis.

Mr. Deputy Speaker: Hold on. One second. Hon. Prime Minister, kindly retract the statement. [*Crosstalk*] Hon. Prime Minister, please, kindly retract.

Dr. Rowley: Mr. Deputy Speaker, I will retract, “belovingly”, if you can identify what I have to retract.

Mrs. Persad-Bissessar SC: The statement.

Mr. Deputy Speaker: The statement you made, hon. Prime Minister, kindly

retract please. Please, Members!

Dr. Rowley: I retract the statement, Mr. Deputy Speaker.

Mr. Deputy Speaker: Thank you, hon. Prime Minister. [*Crosstalk*] No. Naparima, Naparima, please! Where are we? Right, the division. [*Crosstalk*]

The House divided: Ayes 15 Noes 20

AYES

Mr. Lee: Yes to repeal.

Mr. Deputy Speaker: Members, one second. Yes or no, please. Yes or no, otherwise we will have to start over the process. Proceed.

Division continued.

Lee, D.

Persad-Bissessar SC, Mrs. K.

Charles, R.

Rambachan, Dr. S.

Karim, F.

Tewarie, Dr. B.

Moonilal, Dr. R.

Newallo-Hosein, Mrs. C.

Gopeesingh, Dr. T.

Indarsingh, R.

Ramadhhar, P.

Khan, Dr. F.

Padarath, B.

Bodoe, Dr. L.

Ramdial, Ms. R.

NOES

Robinson Regis, Hon. C.

Rowley, Hon. Dr. K.

Al-Rawi, Hon. F.

Imbert, Hon. C.

Young, Hon. S.

Deyalsingh, Hon. T.

Hinds, Hon. F.

Mitchell, Hon. R.

Cudjoe, Hon. S.

Garcia, Hon. A.

Crichlow-Cockburn, Hon. C.

Dillon, Hon. Maj. Gen. E.

Webster-Roy, Hon. A.

Francis, Hon. Dr. L.

Jennings-Smith, Mrs. G

Olivierre, Ms. N.

Leonce, A.

Antoine, Brig. Gen. A.

Smith, D.

Cuffie, M.

Motion negatived. [Desk thumping]

ADJOURNMENT

The Minister of Planning and Development (Hon. Camille Robinson-Regis):

Mr. Deputy Speaker, I beg to move that this House do now adjourn to a date to be fixed.

Mr. Deputy Speaker: Hon. Members, there is one matter that qualifies to be

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raised on the Motion for the Adjournment of the House. [*Crosstalk*] I now call on the Member for Tabaquite. One second, Members. Proceed. The House is still in session. The Member for Tabaquite.

**“Party Boats”
(Regulations for Operation)**

Dr. Surujrattan Rambachan (*Tabaquite*): Thank you very much, Mr. Deputy Speaker. Mr. Deputy Speaker, thank you for allowing my Motion on the Adjournment which I consider to be a very special Motion, in that it deals with public safety and has to do with the security of persons who utilize what are called “party boats” around the shores of Trinidad and Tobago.

Mr. Deputy Speaker, this is a phenomena that is of recent vintage in terms of the number of boats that have come into our waters in order to conduct this kind of business. But what concerns me is the fact that there are boats that have sunk which apparently could have been running without certificates of inspection, in particular. And I will refer in this case to two boats. One, the *Treasure Queen II* which sank on the 13th of September, 2018.

Now, the Maritime Services Division of the Ministry of Works and Transport has a listing of registered passenger or recreation vehicles for party cruise operations. And what is interesting to me is that I cannot get from the Maritime Services Division a listing for 2019, so that the public does not know which of these boats from the website of the Maritime Services are in fact registered or not registered or whether they meet the conditions that have been set out in the legislation and in the regulations for operation. So, for example, the *Treasure Queen II* had a local passenger ship safety certificate which expired on the 31st of October, 2017. But this boat sunk on the 13th of September, 2018, and as far as I can recall, this boat was operating between the time that this certificate expired and the time that this boat sunk.

And then just recently, about five days ago on the 15th of September, 2019, the *MISS PEG* also sank, and interestingly enough, the *MISS PEG* is not listed on the list of registered boats on the Maritime Services list. So that, there is something wrong with the supervisory aspects or the administrative aspects with respect to these boats being allowed to operate with passengers on board and they are not on the list of registered boats.

In fact, you know, one of the famous boats is the *C/Prowler* and the ship safety certificate is shown here to be valid to the 5th of September, 2018. As I said, again, there is nothing that is allowing the public to see which of these boats have for 2019, and I can go through a lot more to show you that a lot of them have expired. The *Southern Elegance* expired; the *First Lady* expired on 25 January, 2018. Now, whether they are registered after that or not, I cannot say from this. But I think it is a matter that requires the attention of the Maritime Services Division because we cannot have boats carrying passengers, people feting on those boats, and we are not sure whether the boats are safe or not safe.

Now, there was a release by Ms. Tamara Roy, the Manager of Corporate Communications, in which the Maritime Services Division headline was the:

“...Division Cracks Down on Unlicensed and Unregistered Party Boats.”

But we have no evidence to see whether this was carried out at all. All they said was that:

- “• All Party Boats or Passenger Vessels must be registered and comply with the Shipping Act 1987
- Registered Party Boats or Passenger Vessels should have its insurance documents aboard the vessel

- All operators of Party Boats or Passenger Vessels should not ply their trade without a Safety Certificate issued or endorsed by the Maritime Services Division.”

What I would like to know is: Who issues these safety certificates and under what conditions is it issued?

I understand that these certificates are issued by a company called Tsunami Marine and that this certificate is really something that is requested by the insurance companies and not necessarily the Maritime Services Division. Now, if that is so, that in itself is something that is of concern.

Now, with respect to private pleasure vessels, what I have learnt is that certification is necessary upon registering of the vessel but no recertification is legislated. And I would like a clarification on that, because if no recertification is legislated, then that is something for concern. And for purposes of insurance to reinsure the vessel, insurance companies ask for a condition survey to ensure seaworthiness of the craft. And that seems to be the only check after initial certification. And that is Tsunami Marine, they are the only company that carries out the certification within the Caribbean. We do not have any details to tell us what is the nature of the review that is done or how the certification is done.

What is even more bothersome is that the current fine for both the owner and master for not meeting the listed requirements is \$1,000 and six months in jail. The Ministry is currently making, I am told, representation to adjust the regulations where the fine will be increased to \$10,000. And I would like to get some idea of, when is this going to happen? Is \$10,000 an adequate fine for people who break this law and threaten the lives of people?

I would like to tell you that in my research to come here today, I discovered that there are a number of young—I would call them children, who are using their

parents' pleasure craft like if they were little toys and going out to sea with it, without even having the benefit of a licence. Now, you have to be 17 years old in this country to have motor licence and you have to have a learner's permit first. And we are having people going out there "playing the fool" with these pleasure crafts and not being supervised. You know, these are rich people in the country who are allowing their children to do some things that are a threat to other people there. Let us just remember something also.

It was in Tobago on the 5th of February, 2018, that a student, Shem Murray died one week after a Jet Ski accident near Pigeon Point. And that was one, and there was another one if you recall, sometime before that, where another person lost a life in this matter. So that, you know, we are very lax in this country when it comes to public safety as a whole and I think that it is important for the authorities to begin to do something very serious about this and not just to take this matter that I am bringing up here as just another set of statements that someone gets up to make here.

Now, Mr. Deputy Speaker, I am really concerned about this because if I go a little further, do you know there are no laws to control pirogues in the country? And that a lot of pirogues are being used to transport passengers between the Five Islands and the coast. Recently a group of people from my constituency went to Chacachacare on a religious excursion and they told me that the boat nearly capsized. And in fact, because the boat could not go to pick them up, they used smaller boats and they nearly fell into the sea also to transport from the smaller boats onto this bigger boat.

Mr. Deputy Speaker: Member, you have two more minutes.

Dr. S. Rambachan: Yeah. So who is in charge of all that? Somebody is not doing their work in this country; somebody is not doing their work in this country

and we need to get very serious about it. So I am asking the authorities, the Maritime Services Division, I am asking the Attorney General, whoever is in charge, do something about this. Take 48 hours and go and draft this if you really want to work, [*Desk thumping*] because between now and 48 hours, another 23 people could capsize like they did there. Thankfully, there were other boats that were able to save them when that boat capsized. I thank you, Mr. Deputy Speaker. [*Desk thumping*]

The Minister of National Security and Minister in the Office of the Prime Minister (Hon. Stuart Young): [*Desk thumping*] Thank you very much, Mr. Deputy Speaker. Mr. Deputy Speaker, it is quite appropriate that the person bringing the Motion, the hon. Member for Tabaquite, was a former Minister of Works and Transport, because the authority that under the law is regulated and charged with the authority to regulate this whole situation as the Member for Tabaquite stated, [*Crosstalk*] falls under the Ministry of Works and Transport. Anyway, all of that is of no moment. We on this side agree with what has been said, that it is an area that needs immediate attention and I am happy to tell the population here this evening, that that has been recognized by this administration, [*Desk thumping*] and we have already drafted the regulations not only to cover pleasure craft and various types of pleasure craft, because as the Member for Tabaquite recognized, there are issues with the party boats which are slightly bigger. He ended by talking about the smaller boats like the pirogues, et cetera.

So we are coming to Parliament, I am assured by the Attorney General, the regulations have already been done to deal with the party boats. You would have heard both myself, as well as the Minister of Agriculture, Land and Fisheries talking about the need to regulate fishermen in the country. And fishermen, we are going to have mandatory GPS tracking devices in the boats, et cetera. There is a

problem with overcrowding on these party boats; there is a problem with the level of alcohol being served and then of course, the effects of alcohol, when people drink alcohol and their behaviour and they are out in the open seas, and then a lot of these party boats traverse at night. So if someone goes overboard, to then find them, locate them, the loud music as well is an issue. So some of the things we are looking at via regulations and what we are going to discuss is whether we should regulate the zones that they can operate in. We are going to make it mandatory that all pleasure craft, including the party boats have sufficient life preserving equipment, life jackets and these types of things.

I would like to also utilize the opportunity to just address, very quickly, the work that the Trinidad and Tobago Coast Guard is doing, because you see, there is a conversation that is being carried on right now in certain very small quarters. Mr. Deputy Speaker, I will use this opportunity to address just by saying that we agree with the Member for Tabaquite and we have already drafted the regulations.

I keep hearing the cry for the coast guard to be everywhere. Anyone who has just gone out in the Gulf of Paria alone, will understand the wide traverse of water where these pleasure craft operate, et cetera. It is impossible, in every single country of the world, to have any coast guard, even naval vessels patrol every square mile of water, an expanse out there. And the analogy of car accidents taking place on our motor ways comes to mind. You do not have police vehicles on every square kilometre of road.

So people who are using pleasure craft, people who are using the party boats, we ask them to be responsible, but as the Government, we will do what we can from a regulation point of view. But the point I am making is, we require people to wear seatbelts in Trinidad and Tobago; we require them not to be on their cellphones whilst driving in Trinidad and Tobago; we require them by law not to

be drinking and driving in Trinidad and Tobago. And we all know that those three simple requirements which can save lives are broken on a daily basis.

So, yes, as parliamentarians we will come with the regulations, we will do what we can, but I will end by endorsing what the Member for Tabaquite had said from the point of view, we need to regulate properly this industry, pleasure craft, the party boats, et cetera, but to just call upon all persons who are going out there in the waters to be more responsible, take the precautions that you, yourself can take, including, making sure that you have life jackets, safety preserves on board and you have a mode of communication. Be careful with the consumption of alcohol. You will know if a boat is overcrowded. So your constituents who went there should have called upon the people who are manning the pleasure craft to be more responsible. They know when they are overcrowding the vessels, but this Government will do what needs to be done and I trust that when the regulations come to Parliament, if they are required to come to Parliament, we will receive the support for it as well as on the fishing Bill that we intend to bring to regulate the fishing industry. Thank you very much. [*Desk thumping*]

Republic Day Greetings

Mr. Deputy Speaker: Hon. Members, as we all know Republic Day will be held on Tuesday, September 24th. I will now invite Members to express their greetings on this occasion. I call on the MP for Moruga/Tableland. [*Desk thumping*]

The Minister of State in the Ministry of Education (Hon. Dr. Lovell Francis):

Mr. Deputy Speaker, good evening. It is a pleasure even on this evening of curious history, to stand and bring greetings to the nation on the coming Republic Day. Mr. Deputy Speaker, it is widely understood and taught to every primary school child, that in 1962 this nation became independent. That is further cemented and reinforced 14 years later when we became a Republic. What is not widely

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understood is the context within which the second of those two events happened.

The 1970s started with a very difficult period in the history of this nation. We faced the sociopolitical upheaval that came with Black Power; the nation's economy was in the doldrums; oil prices were very low; sugar prices were very low and in the midst of what were very difficult times, the Government opted courageously, I would add, to move from independence to a further stage of independence, in this case Republicanism. And they did not opt to do so arbitrarily. In fact, they commissioned a very high-power Commission headed by Sir Hugh Wooding, to look at what might become a Republican Constitution and to look at various forms, various examples internationally that they could draw from and then to make recommendations to the Government.

In the end, the Commission did an excellent job, they presented a number of options to the Government, the one that they touted was not essentially implemented but their measures were taken into consideration and were utilized to create that Republican Constitution. It was also courageous in the sense that in very difficult times we were essentially opting as a nation to go our own way. The clichés were always stated and restated and it is worth stating, that in becoming a Republic we decided to decide for ourselves who we were, who we would be, to rule ourselves or if we went the wrong way, to misrule ourselves. And we decided to take it upon ourselves to chart a way into the future for our nation.

Mr. Deputy Speaker, 43 years later we are here as a Republic, as a nation that has no mother country real or imagined to lean on, that has no political safety net to rely on in times of difficulty, that must make its own choices, that must build its own processes, that must develop its own institutions. It has not been all plain sailing, it has not always been easy, but the maturity that we displayed as a nation has worked to our benefit and will continue to do so.

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Mr. Deputy Speaker, nation-building and nation-crafting is an ongoing process. There are nations that are centuries ahead of us that have difficulties far in excess to the ones that we face. We have proven ourselves in the last 43 years to be capable, to be strong, to be willing to make the tough decisions to take our nation where we want it to go, and despite the fact that we may face difficult times, we may face problems with institutions, we may face all sorts of issues that we must solve as a nation, we have proven through that 43-year history as a Republic, that we are well capable to solve anything and everything that we face. And given that history, and given that fact, and given that 43 years later, good times and bad times we are still here, it is my absolute pleasure to wish this nation, to wish all of us a Happy Republic Day next week. Thank you very much. [*Desk thumping*]

7.55 p.m.

Mr. Deputy Speaker: I recognize the Member for Chaguanas East. [*Desk thumping*]

Mr. Fazal Karim (*Chaguanas East*): Thank you very much, Mr. Deputy Speaker. I rise to bring Republic Day greetings on behalf of the hon. Leader of the Opposition and my very distinguished colleagues on the Opposition Bench. What we would have heard just now, without repeating it, was that we would have moved from Independence and then 14 years after to Republicanism. Independence would have given us a road that we would have progressed from colonialism to our own internal self-rule. In four days' time we celebrate Republic Day, a day in which we can all be proud. It was the thirst of all of us in the country to ensure that we would have moved for self-governance and to celebrate all of our accomplishments as an independent nation, one in which the Head of State would have been the President who would also have been the Commander of the Armed Forces.

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Mr. Deputy Speaker, on an occasion like this, we must reminisce and we must be grateful to all those who would have gone before and assisted in building this very great nation. We are very proud of the fact that we would have had a peaceful democracy, developments in science, engineering, the arts, sports, academia, religious tolerance, politics, business, manufacturing, industry, and of course, international relations.

Mr. Deputy Speaker, we look forward on a day like this, next week Tuesday, for the presentation of national awards to our citizens who would have contributed outstandingly to the success of our nation. It is also a day that we reflect on what has been good for us and what has not been so good for us as a nation, but it demonstrates for us a resilience as a people that we can withstand and sustain the development of our beloved country.

Mr. Deputy Speaker, in seven years' time when we return to Government, we will be celebrating the golden anniversary of Republic Day, and we will do that very shortly, and we will be there again in seven years' time. [*Crosstalk*] I am making a contribution and I would expect that it would be taken in the light in which I am saying it, that we will be celebrating, as a country, our golden anniversary of Republicanism.

Mr. Deputy Speaker, I recall in my early days, when in 1976 when we became a Republic country, we would have witnessed the early achievements of our nation through Hasely Crawford, the first Gold Medallist, Olympic 100-metre champion in Montreal. I recall looking at that race and the two challengers to him would have been Don Quarrie from Jamaica and Valeriy Borzov from Russia. Also very closely, and in fact the second year after that, in 1977, we would have seen, as a young republican nation, our accomplishment of Janelle Penny Commissiong as Miss Universe. What I recall as well was that—[*Interruption*] What I recall as

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well, I remember two aircraft being pulled into the Piarco International Airport when the then Prime Minister christened the McDonnell Douglas DC-9s with these two names: Hasely Crawford and Janelle Penny Commissioning.

Today, however, when we look forward to celebrating our 43rd anniversary of Republicanism, we do so amidst some challenges: a substantial of crime, criminality. We look at our health system; we look at the loss of jobs; we look at the level of infrastructure, of flooding, of poverty, of education, as we move towards improving the lives of our citizens to a better quality of life and sustainability.

As I conclude, Mr. Deputy Speaker, I think it is a time for us to renew our commitment and responsibility to our beloved country. [*Desk thumping*]

Hon. Member: Correct.

Mr. F. Karim: All of us, regardless of our differences, because it is in these differences, in these forms of diversity, that we have unity and strength of purpose. Happy Republic Day to all our citizens in Trinidad and Tobago. I thank you. [*Desk thumping*]

Mr. Deputy Speaker: Hon. Members, I would like to join with both sides in extending greetings to the people of Trinidad and Tobago on the occasion of the 43rd Anniversary of becoming a Republic. As parliamentarians in this Eleventh Parliament, we must be grateful to those who first served in 1976 and who paved the way for the success of future Parliaments. Since becoming a Republic the country has earned a level of international visibility and acclaim that many countries of our size could only dream of. Our sporting accomplishments and cultural art forms have put us on the map. Our resilience in times of national crisis has showed our unity, strength and depth of compassion. We must therefore continue to work together to do even more to improve the lives of the citizens we

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represent and serve. On behalf of the Parliament of the Republic of Trinidad and Tobago I wish the people of this twin-island Republic a happy Republic Day, 2019. [*Desk thumping*]

Question put and agreed to.

House adjourned accordingly.

Adjourned at 8.00 p.m.