

HOUSE OF REPRESENTATIVES

Monday, January 27, 2020

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 Dr. Fuad Khan MP, Member for Barataria/San Juan, who has requested leave of absence from today's sitting of the House. The leave which the Member seeks is granted.

CONDOLENCES

(MR. ASHRAF ALI)

Madam Speaker: Hon. Members, as you may be aware, Mr. Ashraf Ali, former Member of Parliament, passed away on January 14, 2020. Mr. Ali served as the Member of Parliament for St. Augustine during the Third Independent Parliament from 1971 to 1976. Mr. Ashraf Ali served as Parliament Secretary in both the Ministry of Agriculture, Land and Fisheries and at the Office of the Prime Minister during the period May 27, 1971 to May 19, 1975. I shall now invite hon. Members to pay their respective tributes to Mr. Ali. Member for Arouca/Maloney.

The Minister of Social Development and Family Services (Hon. Camille Robinson-Regis): Thank you very kindly, Madam Speaker. Madam Speaker, today I rise to recognize an honourable man, former colleague, and one of my mentors, Mr. Ashraf Ali. On Tuesday 14 January, 2020, this nation lost a great individual who was service driven and passionate about his country. My colleagues and I are very saddened by his death.

In the last days of his life, his wife and I were in constant prayer and communication during his short illness. Mr. Ali was a strong supporter of the

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Condolences - Mr. Ashraf Ali (cont'd)
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People's National Movement, and when I became Member of Parliament for Arouca South he was a strong supporter of the constituency and of me as Member of Parliament.

His selflessness and positive attitude impacted my approach throughout my political career. I quote:

“Leaders instill in their people a hope for success and a belief in themselves. Positive leaders empower people to accomplish their goals.”

Mr. Ali indeed possessed all the qualities of a great leader and can be seen by his legacy.

In 1917 when Ashraf Ali was elected as the Member of Parliament for St. Augustine and served as Parliamentary Secretary in both the Ministry of Agriculture, Land and Fisheries as it then was, and the Office of the Prime Minister under the stewardship of the late Dr. Eric Eustace Williams, his tenure was quite notable as Member for Parliament as Mr. Ali was very instrumental in several debates, particularly on debates on land acquisition. He was also very active in the debates on the Praedial Larceny Prevention (Amdt.) Bill, the President's Emoluments (Amdt.) Bill and the Representation of the People Bill.

Madam Speaker, when Ashraf Ali left this Parliament in 1976 he continued to serve the people of Trinidad and Tobago. His service extended beyond the borders of this country to the Caribbean region. During the years 1979 to 1995 he worked in the Caribbean Agricultural Research and Development Institute (CARDI) and served as an economist, Director of Administration and Finance, Director of Planning and Evaluation, and Secretary to the CARDI board.

Ashraf was an active member of the People's National Movement from 1958 and served in various capacities including campaign manager to John Eckstein in

Condolences - Mr. Ashraf Ali (cont'd)
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1986. He was also very active in several constituencies including Diego Martin and Arouca North, and Arouca South—and that is Diego Martin Central, Ma'am.

Mr. Ali was a devoted Muslim and his deep faith in Allah kept him grounded. He was a family man who loved and adored his wife Nafeesa and his six children, Siddiqa, Wajeed, Sharida, Sayeed, Mohammed, and Maryam. He was the brother of former Independent Senator Basharat Ali and a friend to former President Prof. George Maxwell Richards, former Speaker Clytus Arnold Thomasos, Ashton Ford, Winston Dookeran, Prakash Ramadhar, and former Senator Prof. Ramesh Deosaran and, of course, a friend of mine, Madam Speaker.

Madam Speaker, Mr. Ashraf Ali will surely be missed as we already feel a void from his absence. To his wife Nafeesa and his six children, thank you for allowing us to share the life of such a wonderful person. He inspired us to be better and encouraged us to focus on the important things in life. We of the PNM are grateful for Mr. Ali's years of service and the impact he made to this country.

Madam Speaker, may his soul rest in perfect peace. Thank you.

Madam Speaker: Member for Couva South.

Mr. Rudranath Indarsingh (*Couva South*): Thank you, Madam Speaker, as I join my colleagues on behalf of the Opposition, led by the Member for Siparia, in extending condolences to the spouse and children, and extended family of the late Mr. Ashraf Ali. Mr. Ashraf Ali was elected as Member of Parliament for St. Augustine on the 24th of May, 1971. He was one of the 28 candidates of the People's National Movement who contested a seat in the then general election as eight other PNM candidates had been returned unopposed owing to the no vote campaign led by the then leader of the Action Committee of Dedicated Citizens, more popularly known at that time by acronym ACDC, and Vernon Jamadhar of

Condolences - Mr. Ashraf Ali (cont'd)
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the Democratic Labour Party (DLP).

Mr. Ali was listed by the elections commission as an economist, and it is important to note that he defeated Mr. Satnarine Maharaj of Southern Drive, Champ Fleurs, who was listed as a journalist and contested the seat for the Democratic Liberation Party—a different DLP—led by Bhadase Maraj at the time. The results of the election showed that Mr. Ali held 2,439 votes on behalf of the PNM and Mr. Satnarine Maharaj held 2,104 votes. As has been established, he was sworn in as a Member of Parliament on the 18th of June, 1971, at the ceremonial opening and he will be remembered for his service to Trinidad and Tobago having served as Parliamentary Secretary in the Ministry of Agriculture, Land and Fisheries and the Office of the Prime Minister, and he made his maiden speech in the House of Representatives when he piloted a Motion for the acquisition of lands on Friday the 23rd of July, 1971.

Today, as we reflect on the life of the late Mr. Ashraf Ali who will be remembered for his service to Trinidad and Tobago and his service to mankind and that of his family, I take the opportunity to reflect, as I said, on his passing, and may Almighty God grant him a place in the hereafter based on his book of deeds and the legacy that he would have established for himself, for his family, and for Trinidad and Tobago.

I thank you.

Madam Speaker: Hon. Members, I too wish to join in the tributes being made to the late former member, Mr. Ashraf Ali. During his tenure in this House Mr. Ali contributed to many debates including the Praedial Larceny Prevention (Amdt.) Bill, 1976, the President's Emoluments (Amdt.) Bill, 1976, and the Representation of the People Bill, 1976, amongst others. I am advised that Mr. Ali was an astute

Condolences - Mr. Ashraf Ali (cont'd)
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businessman and a devout follower of Islam. His life was certainly one of service, service to his family, his religion and his country.

I take this opportunity to express my deepest condolences to the Ali family during this time of mourning and I pray that Almighty God grants them the comfort and strength needed at this time of their bereavement.

I now ask that we all stand and observe a minute silence as a mark of respect.

The House of Representatives stood.

Madam Speaker: May his soul rest in peace. Hon. Members, I will ask the honourable Clerk to send an appropriate letter to convey our condolences to the family of the late Mr. Ashraf Ali.

PAPERS LAID

1. Audited Financial Statements of the Trinidad and Tobago Solid Waste Management Company Limited for the financial year ended September 30, 2017. [*The Minister of Finance (Hon. Colm Imbert)*]
2. Audited Financial Statements of the Trinidad and Tobago International Financial Centre Management Company Limited for the financial year ended September 30, 2019. [*Hon. C. Imbert*]
Papers 1 and 2 to be referred to the Public Accounts (Enterprises) Committee.
3. Ministerial Response of the Ministry of the Attorney General and Legal Affairs to the Thirteenth Report of the Joint Select Committee on Human Rights, Equality and Diversity on Sexual Harassment in the Workplace. [*The Minister of Social Development and Family Services (Hon. Camille Robinson-Regis)*]

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4. Ministerial Response of the Ministry of Labour and Small Enterprise Development to the Thirteenth Report of the Joint Select Committee on Human Rights, Equality and Diversity on Sexual Harassment in the Workplace. [*Hon. C. Robinson-Regis*]
5. Ministerial Response of the Ministry of the Attorney General and Legal Affairs to the Fourteenth Report of the Joint Select Committee on Human Rights, Equality and Diversity on Sexual Harassment in the Education Sector. [*Hon. C. Robinson-Regis*]
6. Ministerial Response of the Ministry of Education to the Fourteenth Report of the Joint Select Committee on Human Rights, Equality and Diversity on Sexual Harassment in the Education Sector. [*Hon. C. Robinson-Regis*]

JOINT SELECT COMMITTEE REPORT

(Presentation)

Standing Finance Committee

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

Report of the Standing Finance Committee of the House of Representatives for the Fifth Session (2019/2020), Eleventh Parliament on the consideration of proposals for the Variation of Appropriation for the fiscal year 2019.

PRIME MINISTER'S QUESTIONS

Payments to Group DC LLC

(Details of)

Mrs. Kamla Persad-Bissessar SC (*Siparia*): Would the Prime Minister kindly inform the House of any further payments inclusive of the amounts made to Group DC LLC subsequent to the expiry of the initial contract which ended in October

2018, as well as the nature of those services provided inclusive of the signing or tabling of that subsequent contract?

The Prime Minister and Minister of Planning and Development (Hon. Dr. Keith Rowley): Madam Speaker, as this House is aware, the Government of Trinidad and Tobago maintains active engagement in Washington, and we do so by way of our embassy there and a lobbyist who works for the Government of Trinidad and Tobago. That contract first ended in 2018 and following the expiration of that contract Cabinet agreed to a further engagement of this company Group DC LLC, and during that period, Madam Speaker—now the arrangement is that we pay quarterly of US \$300,000 and we received constant reports which are extremely valuable, particularly at this time.

Madam Speaker: Supplemental, Member for Siparia.

Mrs. Persad-Bissessar SC: Hon. Prime Minister, would those services include accommodation to ring the bell at NASDAQ in the last fiscal year?

Hon. Dr. K. Rowley: Madam Speaker, contrary to the misinformation that has been presented to this country by the UNC that we paid millions of dollars for NASDAQ and now implicating the Group DC LLC with NASDAQ, I want to put on the record that the Group DC LLC had absolutely nothing to do with our involvement and my presence at NASDAQ and I hope that the misinformation and the mischief would end there.

Madam Speaker: Supplemental, Member for Naparima.

Mr. Charles: Prime Minister—would the Prime Minister wish to quantify the tangible benefits to Trinidad and Tobago in respect of the arrangement we have for the lobbyist in Washington?

Hon. Dr. K. Rowley: Madam Speaker, the tangible benefits are that Trinidad and Tobago retains access to the corridors of power in decision making in Washington.

Madam Speaker: Supplemental, Member for Oropouche East? Member for Pointe-a-Pierre.

**National Gas Company
(Increase of Natural Gas Supplied)**

Mr. David Lee (*Pointe-a-Pierre*): Thank you, Madam Speaker. To the hon. Prime Minister: Could the Prime Minister confirm or deny whether the National Gas Company will be increasing the price of natural gas supplied to critical firms and/or companies located in the manufacturing sector?

The Prime Minister and Minister of Planning and Development (Hon. Dr. Keith Rowley): Madam Speaker, the National Gas Company supplies gas to its manufacturing customers at close to 100 per cent reliability. As part of its normal business NGC has built in to its contracts annual price escalators. NGC is exposed to higher gas prices from its upstream suppliers. NGC continues to subsidize natural gas prices to its manufacturing sector customers even with the increase, and NGC would continue as it conducts national business in the gas sector to negotiate in good faith with all its customers.

Madam Speaker: Supplemental, Member for Couva South.

Mr. Indarsingh: Thank you, Madam Speaker. Prime Minister, given the recent reports of possible job losses among the manufacturing sector linked to this issue of the natural gas price from NGC, can the Prime Minister say how the Government plans to mitigate such dislocation in the manufacturing sector?

Madam Speaker: I will not allow that as a supplemental question. Member for Pointe-a-Pierre.

**Signing of Government/Trafigura MOU
(Key Elements Contained)**

Mr. David Lee (*Pointe-a-Pierre*): Thank you, Madam Speaker. To the hon. Prime Minister: In light of recent reports which stated that the Government was due to sign a Memorandum of Understanding (MOU) with Trafigura Limited as it relates to the reopening of the refinery, could the Prime Minister state the key elements contained in this same MOU?

The Prime Minister and Minister of Planning and Development (Hon. Dr. Keith Rowley): Madam Speaker, if my colleague could direct me to the relevant report I will be happy to answer.

Madam Speaker: Supplemental, Member for Pointe-a-Pierre.

Mr. Lee: Prime Minister, that report was stated in the daily newspapers recently.

Hon. Dr. K. Rowley: Madam Speaker, my colleague is giving me a very huge assignment to peruse in the newspaper—I am not sure if it is local or foreign—but I simply want to say that there is no MOU being signed or to be signed between the Government and Trafigura. What I do know, the mention of the name Trafigura, is that the Government, in its process and attempting to create an opportunity for the reopening of the refinery, is dealing with the selectee from that process which is Patriotic Energies and Technologies, which is a company associated with the OWTU. That is common knowledge. In that company's business in preparing its presentations to the Government as to who it is involved with, that is where the name Trafigura has come up and that is not a matter between the Government and Trafigura. That is a matter with Patriotic. So there is no MOU to be signed between the Government and Trafigura at this stage and that is a Patriotic matter.

Madam Speaker: Supplemental, Member for Pointe-a-Pierre.

Mr. Lee: Thank you, Madam Speaker. To the hon. Prime Minister: Is it fair to say that the Government is not in any talks or any discussions with the company called Trafigura Limited?

Hon. Dr. K. Rowley: Madam Speaker, the language of Parliament is English and I just spoke in English, and I will do it again because this misrepresentation that is going on is confusing the population. The Government of Trinidad and Tobago, as an identifiable entity, is in no business to sign any memorandum with Trafigura. The Government is dealing with Patriotic Energies and Technologies which is a company run by OWTU in its attempt to reopen the Pointe-a-Pierre refinery. OWTU had to make presentations and indicate how it is going to go about doing that. Among the support base for the OWTU's Patriotic Company, the name of Trafigura, playing some role with OWTU and Patriotic, is where that name comes up. It is not the Government that is doing that and I trust that is clear. [*Desk thumping*]

Coronavirus

(Travel Restrictions to Trinidad and Tobago)

Dr. Lackram Bodoë (Fyzabad): Thank you, Madam Speaker. To the hon. Prime Minister: In view of the rapid spread of the Coronavirus worldwide, could the Prime Minister state whether the Government is considering the implementation of travel restrictions to Trinidad and Tobago?

The Prime Minister and Minister of Planning and Development (Hon. Dr. Keith Rowley): Madam Speaker, given the fast moving situation that is developing in Asia and across the world the Government of Trinidad and Tobago is very alert, and the Ministry of Health is considering and preparing a Note for the Cabinet on this matter and the appropriate decision will be taken and at the appropriate time immediately the population will be informed.

Madam Speaker: Supplemental, Member for Fyzabad.

Dr. Bodoë: Thank you, Madam Speaker. Prime Minister, can you confirm whether there are any confirmed cases of coronavirus in the country at the

moment?

Hon. Dr. K. Rowley: Madam Speaker, as far as the Government of Trinidad and Tobago is aware we are not in a position to confirm any such, but the Minister of Health has pointed out that the nature of the virus is such that if you are not presenting with a temperature to be identified, that if you are—what you call it, Minister?

Mr. Deyalsingh: Asymptomatic.

Hon. Dr. K. Rowley: Asymptomatic, meaning that you do not show the symptom that is not a proof that you are not carrying the virus, but we are in no position to confirm that we have and that I think that is a good position to be in at this time.

[Desk thumping]

Madam Speaker: Supplemental, Member for Fyzabad.

Dr. Bodoë: Thank you, Madam Speaker. Prime Minister, can you give the assurance that adequate resources will be provided for the containment of the coronavirus and the appropriate treatment of citizens should we have severely affected citizens?

Hon. Dr. K. Rowley: Madam Speaker, the Minister of Health, which is the Minister with the portfolio with responsibility with this matter, had been out front talking to the population on national television indicating exactly what you have requested is being done. As a matter of fact, Madam Speaker, we are moving ahead of the WHO protocols because at this time WHO is advising that we do not do terminal screening at the airport. We have not agreed to that advice and we are in fact screening to be ahead of the game. So we are proactive and we will be extremely concerned and careful to do everything that is possible to protect the people of Trinidad and Tobago. *[Desk thumping]*

Madam Speaker: Member for Caroni East.

**Discussions and/or Ongoing Negotiations
(Loma Linda Hospital/Government/UWI)**

Dr. Tim Gopeesingh (*Caroni East*): Thank you, Madam Speaker. Could the Prime Minister state if there are discussions and/or negotiations ongoing between Loma Linda Hospital, or the university, and the Government, or the University of the West Indies in relation to the Couva Hospital?

The Prime Minister and Minister of Planning and Development (Hon. Dr. Keith Rowley): Madam Speaker, as you would be aware, a comprehensive statement was made in here and elsewhere with respect to the Couva Hospital and the role that the University of the West Indies is playing alongside the Ministry of Health. One of those things to be done by these parties is the establishment of an offshore university to be run by the University of West Indies. In that context, Madam Speaker, the Ministry of Health and UWI have had discussions with Loma Linda and there are no ongoing discussions, but Loma Linda, in the previous discussions that were had, indicated a willingness to assist UWI in the establishment of its offshore university and to assist with specialist technical help in certain areas of healthcare delivery.

Madam Speaker: Supplemental, Member for Caroni East.

Dr. Gopeesingh: Therefore, hon. Prime Minister, would you as a Government—head of the Government—entertain the proposal by Loma Linda University Hospital for them to establish an offshore medical school in the Couva Hospital as a teaching hospital as well?

Hon. Dr. K. Rowley: Madam Speaker, that is not part of what I just said. I said that it is the University of the West Indies that will be doing that, and in that exercise Loma Linda has offered to assist the University of the West Indies with technical support. So it is not as it is being presented that Loma Linda is going to

establish a medical school. When we initially went out for proposals from interested parties Loma Linda was one of those entities that had looked at it, but did not see it necessary or encouraging to participate in that way, but they had indicated a willingness to assist UWI. So any medical school at Couva is going to be a UWI partnership with the Government of Trinidad and Tobago. [*Desk thumping*]

Madam Speaker: Supplemental, Member for Caroni East.

Dr. Gopeesingh: Thank you, hon. Prime Minister. When you said technical assistance could you give us a little indication? I understand there is a partnering between UWI and Loma Linda University Hospital, but are they setting up a medical school in Trinidad, or if you said technical assistance what is the nature of that technical assistance?

Hon. Dr. K. Rowley: Madam Speaker, I refuse to believe that my colleague from Caroni East does not understand what the term “technical assistance” means. I am not in a position here today to give you the full perimeter and scope of what technical assistance means and would mean for UWI. Technical assistance simply means in the aspects of technical development where Loma Linda has speciality and long decades of experience that UWI could tap into that and, of course, it would mean anything that they have within their borders that they are willing to share with UWI. So therefore, you keep talking about Loma Linda setting up medical school in Couva; it is not that. Assistance could come in a variety of forms and if you are able to file a question on notice, I probably would be able to give you more detail on the specific assistance in which UWI will show some interest and where Loma Linda might be able to assist. But it is a very broad scope and a generous offer that UWI may or may not take up as we go forward.

Madam Speaker: Supplemental, Member for Chaguanas East.

Mr. Karim: Thank you very much, Madam Speaker. Hon. Prime Minister, might you be able to say as we speak what is the role of the University of the West Indies vis-à-vis the Couva Hospital as we speak now?

Hon. Dr. K. Rowley: Madam Speaker, it is a new building with a high ceiling that is obviously affecting my colleagues. I just said twice—

Mr. Karim: But what they paying?

Hon. Dr. K. Rowley: I just said twice—

Mr. Karim: What are they doing?

Hon. Dr. K. Rowley:—that UWI is partnering with the Government of Trinidad and Tobago towards the objective of establishing at Couva an offshore university health facility. That is all I said.

Mr. Karim: And is it functional?

Hon. Dr. K. Rowley: What?

Mr. Karim: UWI is a— [*Inaudible*] Where is the staff?

Hon. Dr. K. Rowley: It is—well that is a different question. With respect to the opening of teaching at Couva, whenever that opens it will be done and it is being done as UWI. That is the intention.

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UWI is partnering with the Government where UWI is going to run that facility there. It has commenced in a variety of ways and a lot of discussion is going on and we are moving along that line. So UWI is playing a role but it has not been completed and the whole breadth of it is not before us at this point in time. Okay?

Madam Speaker: Member for Caroni East.

Completion of Schools

(Details of)

Dr. Tim Gopeesingh (*Caroni East*): Thank you, Madam Speaker. Hon. Prime

Minister, could you state why your Government has not been able or has been unable to complete any of the 60-plus schools which were left at various stages of construction as at September 2015?

Madam Speaker: Prime Minister.

The Prime Minister and Minister of Planning and Development (Hon. Dr. Keith Rowley): Madam Speaker, one of the reasons or the main reason why we have not been able to do that is because of the way this scope of work had been established. During 2015, the previous Government awarded a series of contracts toward the construction of schools. All of those contracts were executed and contractors were put to work but there was no identifiable funding put in place to sustain the projects.

At the change of the Government, the new Government met a very chaotic environment where contractors had worked—some of them did considerable amounts of work on schools and were not paid. The contracts themselves were legally problematic. The claims by the contractors were extensive and in many instances, contractors had stopped work waiting to be paid for the work that they had done. This Government, meeting that environment, had to untangle that unsatisfactory situation and pay those contractors for the work that was done from budgetary allocations that had to be found.

Then, Madam Speaker, to restart the projects, there was the complication of claims made by contractors establishing through extensive, curious work what was outstanding and, Madam Speaker, we have done all that and we have also sourced funding to complete the schools and that is now underway, Madam Speaker. So that is the situation with respect to those schools. Had there been a proper arrangement where funding was identified and contracts and contract documents were in place and there were not these legal complexities and the plethora of

claims, we could have advanced this further but we had to clear these things up. But that work is now done and in the coming weeks and months, you will see the completion of many of these schools which had been—some of them were in advanced stage of construction but we had spent the first set of moneys we had paying for the work that was done and getting the contractors to restart their efforts on the various school projects.

Madam Speaker: Member for Naparima.

Mr. Charles: Hon. Prime Minister, in the context, Madam Speaker, I am speaking specifically of the Ben Lomond Early Childhood Centre and the Reform Village Early Childhood Centre. These buildings were 99 per cent complete and they were allowed to be put in a state of disrepair with vines growing on them. Why it is that the Government, while it was doing the homework, why steps were not taken to protect the properties, given the importance of children's education?

Madam Speaker: Prime Minister.

Hon. Dr. K. Rowley: Madam Speaker, when you enter into contracts, you have to be very careful that you meet the terms of the contracts and you are in a position to resist and defend claims being made in particular situations and I am sure that the Minister of Education, on more than one occasion, had spoken in this House as to the reasons why we had not made that kind of progress. But, of course, that could have been avoided completely if the energy you are putting out now in trying to hold us accountable, if you had held your colleagues accountable for the willy-nilly way in which those contracts were entered into during 2015. [*Desk thumping*]

Madam Speaker: Supplemental, Member for Caroni East.

Dr. Gopeesingh: Hon. Prime Minister, are you aware that your Government has spent over \$862 million in the last four years for school repair and maintenance and construction but yet still your Government has not been able to build one new

school? Where has all this money been utilized, \$862 million under the Infrastructure Development Fund?

Hon. Dr. K. Rowley: Madam Speaker, that is precisely what I am just saying. Unless you could identify for me, Madam Speaker, which contractor on which school we ought not to have paid, I just said that having awarded a truckload of contracts, put the contractors to work, paid them the mobilization which is all the money most of them got and allow them to work on the project without being paid, the figure that was just quoted by my colleague, the bulk of that was to pay the contractors that you hired and put on contracts who did work and were not paid and that is where the payment was. Having spent what moneys we raised to pay for the liabilities that you had created, we have now on a second tranche, found new money and additional money to take the projects to completion and that is why those schools are now going to be completed. So your concern about the \$862 million is payment for contracts that you entered into and work that was done without supervision.

And one of the things that we had to do, Madam Speaker, was to hire quantity surveyors to go into every single one of those schools and to determine what has been done and what has not been done, what were liabilities for claims and what we accept to pay and negotiate with the contractors and now that we have finished that, the work is now restarted and moving to completion. You created this environment and we are fixing it because we get the job done. [*Desk thumping*]

Madam Speaker: Supplemental, the Member for Naparima.

Mr. Charles: Prime Minister, you have indicated that we gave out contracts—

Hon. Dr. K. Rowley: “We who? Yuh wasn’t dey.”

Mr. Charles:—identifying moneys. And I am asking you, Prime Minister. In

respect of the Ben Lomond Early Childhood Centre which is less than five, six million, could it not have been taken from the \$20 million annually that you pay in rent for One Alexandra Place and other properties and therefore it is a question of priority spending?

Hon. Dr. K. Rowley: I am glad you raised that because first, there is no school we met 99 per cent complete. That is misinformation and fabrication. Secondly, if the five years of paying that you and your friends paid at One Alexandra, five years you paid rent there without using the building for one hour. [*Desk thumping*] If you had used that money, you would not be here today talking about \$1 million for Ben Lomond school because unlike what we have done, any place we have rented, we proceed to use. Your Government, five years, rented One Alexandra Place and mosquito, spider and lizard were the only occupants of that building for five years [*Desk thumping*] and you have the gall to come here now and talk about One Alexandra and this Government. When we, by contract, used One Alexandra, we rented it and we are using it. [*Desk thumping*]

Madam Speaker: Member for Cumuto/Manzanilla.

Mrs. Newallo-Hosein: Thank you, Madam Speaker. Hon. Prime Minister, in light of the fact that you have indicated that there are no completed schools, there is a complete ECCE school in Coalmine, Sangre Grande awaiting opening. Can the hon. Minister indicate when that school will be opened, please?

Hon. Dr. K. Rowley: If my good friend and rival from above could direct her question on notice to the Minister of Education who is the man holding that portfolio, you will get an answer I am sure.

Madam Speaker: Member for Caroni East.

**Trinidad and Tobago Forensic Science Centre
(Improvement or modernization of)**

Dr. Tim Gopeesingh (*Caroni East*): Thank you, Madam Speaker. Prime Minister, could you state why there has been no significant improvement or modernization of the Trinidad and Tobago Forensic Science Centre in light of your previously stated desire to improve the Forensic Science Centre to international standards having visited Jamaica?

The Prime Minister and Minister of Planning and Development (Hon. Dr. Keith Rowley): Madam Speaker, my colleague from Caroni East who always claims to say that he is my friend. My friend would know that I keep my word. [*Desk thumping*] On this matter of the requirement and the need for a new Forensic Science Centre and given our straitened circumstances and our strong diplomatic ties with friends at home and abroad, we have been able to negotiate with the Chinese Government and we have recently signed a \$100 million grant arrangement with the Government of China [*Desk thumping*] for the establishment of this centre. The building and outfitting designs and arrangements are in the final stages in China and very soon this would be a project to the people of Trinidad and Tobago from the People's Republic of China.

Dr. Gopeesingh: Hon. Prime Minister, I do not know whether you are aware that the Commissioner of Police indicated as well that he might be contemplating setting up a Forensic Science Centre, I do not know whether it is different from what you are contemplating or it is the same or what is happening.

Hon. Dr. K. Rowley: Madam Speaker, I am sure that the Commissioner of Police will not be building a Forensic Science Centre from his pocket. Whatever we build as part of the national institution, whatever we build, they will all work in tandem and I am not aware that the police is building any Forensic Science Centre. The nation of Trinidad and Tobago will have its national science centre as I have just described and if there are others in the private sector or even the police, I do not

know, I expect that they will all work in tandem.

Madam Speaker: Member for Naparima.

Mr. Charles: Thank you, Madam Speaker. Would the Prime Minister ensure that the Forensic Science Centre that is being constructed will be consistent with the requirements of international accreditation agencies and therefore will meet First World standards?

Hon. Dr. K. Rowley: Madam Speaker, we, in Trinidad and Tobago, will ensure, especially in matters of the certification, accreditation and so on, that all our standards are satisfactory and meet international levels.

Dr. Gopeesingh: Prime Minister, while this process is taking place and we are unaware of a completion date, what is the Government doing about the recurrent moving out of forensic pathologists on a regular basis creating problems in the midst of this crime situation?

Madam Speaker: I am not going to allow that as a supplemental question. Member for Caroni Central.

Dr. Tewarie: Thank you very much. Prime Minister, you said that this was a grant to the Government and the people of Trinidad and Tobago and that is good but in the matter of construction of that entity, will local contractors and employees be involved?

Hon. Dr. K. Rowley: Madam Speaker, we will expect that local contracting in many forms will take place in support and in direction of this project.

URGENT QUESTIONS

Police Marine Branch

(Establishment of)

Ms. Ramona Ramdial (*Couva North*): Thank you, Madam Speaker. To the Minister of National Security: Could the Minister say how soon before the Police

Marine Branch is established since it was supposed to be launched in October of 2019?

The Minister of National Security and Minister in the Office of the Prime Minister (Hon. Stuart Young): Thank you very much, Madam Speaker. I am not sure where the Member for Couva North got that it was supposed to be launched in October 2019. As the Member would be aware, what I said is that we expect them to launch, you cannot just go to Peake's, to Massy Stores or to anywhere and purchase the assets i.e. boats. These boats normally take over a year to be built. We are happy to say that the police are getting it done in nine months. They have already retained a specialist personnel to run this department as an SRP.

The sea is not like the land so they are in the process, as well, of locating and retaining specialist personnel who will be able to man this Police Marine Branch. You also need specialist facilities to be able to launch from. In the meantime, we have made arrangements. Once they get their boats delivered, we hope in March of this year, they will be able to launch from the helipad using the Trinidad and Tobago Coast Guard facilities. I repeat, this is not something that could have been done overnight, it is being done in the proper manner and a proper specialist marine branch unit should be launched in April of this year.

Madam Speaker: Supplemental, Member for Couva North.

Ms. Ramdial: Thank you, Madam Speaker. Minister, exactly how many boats were ordered?

Hon. S. Young: Madam Speaker, I believe it is one main vessel ordered in the meantime and then they will also be getting some of the flat-bottom boats to be able to go up into the tributaries. I do not have the exact number.

Madam Speaker: Supplemental, Member for Couva North.

Ms. Ramdial: Thank you. Minister, can you say at what cost? Is it being

undertaken by the Ministry of National Security to purchase these boats?

Hon. S. Young: No, Madam Speaker, I do not have that information available. This is being done by the Trinidad and Tobago Police Service who, as the Member would be aware, are in charge of their own budget. The Commissioner of Police is the accounting officer.

CCTV Cameras and Associated Service

(New Contract for Implementation)

Dr. Roodal Moonilal (*Oropouche East*): Thank you very much, Madam Speaker. To the Minister of National Security: Could the Minister indicate whether a new contract for the provision of CCTV cameras and associated service has been implemented for this critical crime-fighting tool?

The Minister of National Security and Minister in the Office of the Prime Minister (Hon. Stuart Young): Madam Speaker, I am not aware of the implementation of a new contract. A letter of award was delivered to the chosen provider of the new CCTV service. The contract is currently being negotiated and to be signed I am told this week. In the meantime, the provider has been putting everything in place, including the purchase of all of the necessary materials to commence work as soon as possible.

Madam Speaker: Supplemental, Member for Oropouche East.

Dr. Moonilal: Thank you. Minister, given that the contract for the provision of CCTV cameras expired in June 2017 and we are in January 2020, could the Minister indicate the number or the percentage of cameras that are not working at this time?

Madam Speaker: Minister of National Security.

Hon. S. Young: Thank you, Madam Speaker. No, Madam Speaker, I cannot provide that information but what I can tell the population is the contract that we

Urgent Questions (cont'd)

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have negotiated and entered into has resulted in an annual savings of over \$310 million for the taxpayers of Trinidad and Tobago for better technology to be provided. [*Desk thumping*] I repeat that. This Government has negotiated a contract savings for state-of-the-art CCTV camera technology that results in savings to the taxpayers of over \$310 million per annum.

Dr. Moonilal: Thank you very much, Minister. We are very happy to hear that good news. Minister, are you aware that 40 per cent of the CCTV cameras are not working at this time and cannot be used by the police as a tool in crime-fighting, notwithstanding these great savings that you are talking about?

Madam Speaker: Minister of National Security.

Hon. S. Young: Thank you very much, Madam Speaker. As has become the modus operandi of the Member for Oropouche East, that is, misinformation to the public of Trinidad and Tobago and one wonders how it is that he is so intricately involved in certain aspects of national security but more to come on that later. [*Desk thumping*]

Oil and Natural Gas Prices

(Budgetary Implications)

Mr. David Lee (*Pointe-a-Pierre*): Thank you, Madam Speaker. To the Minister of Finance: Could the Minister state the budgetary implications of the difference between the budgeted prices for oil and natural gas compared to today's prices?

The Minister of Finance (Hon. Colm Imbert): Thank you, Madam Speaker. Madam Speaker, obviously, if there is a drop in the price of oil or natural gas for that matter, the revenue would be reduced and similarly, if there is an increase in the price of oil or natural gas, the revenue will be above estimates.

I just want to make the point that we have no control over the price of oil and gas. The prices of these commodities are extremely volatile. Oil, in particular,

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has had a very interesting ride. The price of oil has gone up and down, fluctuated wildly in just this month, in January. On the 3rd of January, for example, when you had that issue between Iran and the United States, the price of WT oil, West Texas Intermediate, jumped to in excess of \$60. Today with the Coronavirus outbreak in China or the problem with Coronavirus in China, I can give you a headline:

“Oil Extends Plunge On Coronavirus Fears”

So whereas on the 3rd of January when there was that issue between Iran and United States, that missile strike, oil jumped to \$63 WTI per barrel. Today, because of the Coronavirus, oil is now at \$52. So that is just in less than a month, oil has shot up from \$58 to \$62 and back down to \$52 so we have no control over this. And therefore, in Trinidad and Tobago, what we do is we do our best estimates. We use the forecasts that are published by the Energy Information Administration of the United States, the EIA; we also looked at the estimates from the World Bank and the IMF.

Madam Speaker: Supplemental, Member for Pointe-a-Pierre.

Mr. Lee: Thank you, Madam Speaker. Thank you, Minister. Based on the existing prevailing prices and what has raised since your budget of October which have been laud and forecasted in a lot of the times, can the country expect to see an adjustment downward of your budgeted figures which is \$60 price for oil and \$3 for the natural gas price?

Hon. C. Imbert: Madam Speaker, it is far too early to tell. As I indicated, in just this month alone, because of tensions between the United States and Iran, the price of oil, WTI, went over the budget estimate. I also want to make the point that the crude produced by Heritage Petroleum is fetching prices sometimes \$4 to \$5 above WTI. So when WTI hit \$62 on January 3rd, the price of Petrotrin—Heritage Petroleum, one of the restructured companies from the old Petrotrin, the oil

producer, would have received could have been as high as \$65 or \$66 per barrel of oil. So it is far too early to tell whether these trends will be permanent or whether they are temporary.

When you had that missile strike between Iran and the United States, the view was that oil could hit \$100 because of Middle East tensions, now you have the Coronavirus which is affecting the Chinese economy. In fact, the Chinese New Year has been extended to allow people to travel to their home village, if you know anything about China that is. So that there is a belief in the world that the Coronavirus may affect the Chinese economy and therefore, these things happen at the spur of a moment and it is far too early to tell. In Trinidad and Tobago, this Government plans for the long term, we do not engage in kneejerk reactions.

Madam Speaker: Supplemental, Member for Pointe-a-Pierre.

Mr. Lee: Thank you, Madam Speaker. Thank you, again, Minister of Finance. But I listened to you about oil and natural gas, very considerably lower than your \$3 budget, considerably, since October and today, it is fetching \$1.89. So, could you?

Hon. C. Imbert: Again, if you look carefully at how we derive revenue from natural gas, it is based on royalties and also the resale of natural gas by the natural gas company. The royalties are based on the well head price in Trinidad and Tobago. You cannot use the Henry Hub or Lake Charles price to give an indication of what the actual budgeted gas price is. It is a netback price and it is based on a number of variables. We also sell our natural gas to different destinations where the prices are quite different to the Henry Hub posted price. Henry Hub is an anachronism so you cannot use Henry Hub to predict anything anymore.

ANSWERS TO QUESTIONS

UNREVISED

The Minister of Social Development and Family Services (Hon. Camille Robinson-Regis): Thank you very kindly. Madam Speaker, there are eight questions for oral answer and we are prepared to answer seven of the eight questions. However, we have been informed that Question No. 18, Question No. 19 and Question No. 23 are no longer being asked. Therefore, we will be answering Question No. 16, Question No. 20, Question No. 22, Question No. 24 and we are asking for a two-week deferral of Question No. 17. Thank you. Madam, there are no written questions.

Madam Speaker: Okay, so Question 16. Member for Chaguanas East.

ORAL ANSWERS TO QUESTIONS

The following question stood on the Order Paper in the name of Mr. Fazal Karim (Chaguanas East):

Completion of Schools

(Details of)

17. Could the hon. Minister of Education state:

With regard to the announcement that \$800 million were allocated to complete schools yet to be completed since 2015, could the Minister provide:

- a) the list of schools to be completed; and
- b) the expected commencement and completion dates for each school in part (a)?

Question, by leave, deferred.

Bhadase Lands, Enterprise

(Government's Intention to Regularize)

16. Mr. Fazal Karim (Chaguanas East) asked the Minister of Agriculture, Land and Fisheries:

Could the Minister state whether the Government intends to regularise the status of residents occupying two hundred (200) acres at Bhadase Lands, Enterprise?

The Minister of Agriculture, Land and Fisheries (Sen. The Hon. Clarence Rambharat): Madam Speaker, thank you very much and I thank the Member for Chaguanas East for the question. Madam Speaker, the question relates to the lands which are known as the Bhadase lands. This is a 230-acre site in the constituency of Chaguanas East. It is on the eastern side of the Southern Main Road. The southern boundary of this land is Enterprise Street in Chaguanas. The lands are named after Bhadase Sagan Maraj, the illustrious politician and SDMS leader. Before his death in 1971, Mr. Maraj sold out maybe five or six portions of that estate and upon his death, the dealings with the land ceased.

Madam Speaker, about 20 years ago, the Cabinet took a decision to acquire the lands by private treaty but that decision was not implemented in the 20 years that passed. Our Government took up the discussions based on projects we have undertaken to regularize persons in occupation of land in places like Guayaguayare Road, Rio Claro; Mission otherwise known as "Jonestown" in Arima; on the Government's lands in St. Augustine, and other parts of the country, we tackled this particular regularization. We commenced discussion with the executor of the estate of Bhadase Sagan Maraj, Mr. Sat Maharaj and agreed on a particular course of action. Of course, Madam Speaker, unfortunately, Mr. Maharaj recently died which, of course, affects the progress that we are going to make.

Notwithstanding, Madam Speaker, we have had meetings. I personally have had meetings with the residents. In fact, the last meeting, we had more than 400 families represented. This is not a simple regularization exercise. We have completed a valuation from the Commissioner of Valuations. The next step

involves calculating the taxes and the tax position in relation to Mr. Maraj's estate, that is Bhadase Sagan Maraj, and returning to discussions with the representative of the estate of Mr. Bhadase Sagan Maraj. This is a regularization that has to be phased. As my colleague knows, it affects maybe 2,000 structures, some are commercial structures, many residential, some institutional structures.

This is essentially a haphazard development that has a lot of complexities and as with these regularizations that have spanned about 60 years, we have deaths in families, we have disputes within families and that is why we have been having the meetings, to ask the families to come forward with their data. LSA is leading this effort with the support of the Commissioner of State Lands and of course, with my support and the support of my colleagues in the Cabinet. I thank you very much, Madam Speaker. [*Desk thumping*]

Madam Speaker: Member for Chaguanas East.

Mr. Karim: The other question, you asked for a deferral.

Madam Speaker: Okay, just one minute. I believe there was a supplemental, Member for Oropouche West, on that Question 16. I am sorry, I did not see you.

Mrs. Gayadeen-Gopeesingh: Minister, you said that you already got a valuation from the Commissioner of Valuations, how soon will that move from the Commissioner of Valuations to Commissioner of State Lands so that an assessment can be done?

Sen. The Hon. C. Rambharat: Thank you very much, Member for Oropouche West. The valuation, this is the second valuation that was done. Some years ago, a valuation was done and it did not lead to an agreement with the parties. This valuation was undertaken for the purpose of conducting the discussions. This was a private treaty that was agreed. It requires the agreement of both parties. So the next step in relation to the valuation is a discussion with the representatives of the

estate of Mr. Bhadase Sagan Maraj. Thank you.

2.30 p.m.

Madam Speaker: Supplemental, Member for Oropouche West.

Mrs. Gayadeen-Gopeesingh: Indeed, if it were to happen, the lease issued by the Commissioner of State Lands, would it be a 30-year, 99, 199 or 999 years?

Sen. The Hon. C. Rambharat: Madam Speaker, as I indicated, this regularization is being led by the Land Settlement Agency, so the regularization, the tenure, the nature of the tenure and those arrangements, the pricing of the land, will be in accordance with the existing policies of the Land Settlement Agency. I thank you.

Madam Speaker: So, Member for Chaguanas East, we are now on to question 20.

University of Trinidad and Tobago

(Details of Staff)

20. Mr. Fazal Karim (*Chaguanas East*) asked the hon. Minister of Education:

With regard to the University of Trinidad and Tobago (UTT), could the Minister state:

- a) Whether there are plans to reduce the staff complement by 120 persons in 2020?
- b) If the answer to part (a) is in the affirmative, the staff areas to be reduced and the justification for this decision?

The Minister of Education (Hon. Anthony Garcia): Thank you very much, Madam Speaker. The University of Trinidad and Tobago has advised that there are no plans to reduce the staff complement by 120 persons in 2020. Over the last two years, the university has embarked on a cost-rationalization programme with the view of ensuring the institution's financial stability. The cost rationalization programme has resulted in a reduction in the university's cost operation, which is now more than 15 per cent lower than that of two years ago.

The programme, which is expected to continue over the next year, entails ongoing reviews and the rationalization of the UTT's network of campuses, its academic programme offerings, and its corporate operations. Thank you very much.

Madam Speaker: Supplemental, Member for Chaguanas East.

Mr. Karim: Thank you very much, Madam Speaker. Hon. Minister, if it is not 120, do you have any indication of further job loss in this year at the UTT?

Madam Speaker: Minister of Education.

Hon. A. Garcia: Madam Speaker, as I have indicated, at this time there are no plans for any job cuts, at this time.

Madam Speaker: Member for Pointe-a-Pierre.

BHP

(Ruby Project Platform Construction)

22. Mr. David Lee (*Pointe-a-Pierre*) asked the hon. Minister of Energy and Energy Industries:

Could the Minister state the reason that BHP opted to construct the platform for Ruby project outside of Trinidad and Tobago?

The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan): Thank you very much, Madam Speaker. Madam Speaker, expressions of interest were invited by BHP for an EPCIC contractor for the Ruby project, both locally and internationally. As a point of explanation, EPCIC means engineering, procurement, construction, installation, and commissioning. No interest was expressed from any local firm to this invitation.

Technip Genesis, based in the United States, was awarded a contract for the provision of EPCIC services for the Ruby project. As the EPCIC contractor for the Ruby project, Technip Genesis issued a request for quotations for the jacket from

both local and international contractors, whilst the RFQ was issued for the deck of the Ruby platform from US contractors. A response was received from only one local contractor, TOFCO, for the fabrication of the jacket. BHP has advised that proposals by the local contractors for the jacket was not competitive. Therefore, it was not successful in its bid, hence the award of the contract for the jacket outside of Trinidad.

But just for the record, Madam Speaker, even though the jacket and the platform will not be constructed in Trinidad, there is lot of other work, ground field work, peripheral to Ruby. Because Ruby has to be hooked up to Angostura central processing facilities, and these works, which come in smaller packages, are worth even more than the Ruby platform itself and all this work will be going to local contractors.

Madam Speaker: Member for Pointe-a-Pierre.

Mike Wylie Compensation Package

(Details of)

24. Mr. David Lee (*Pointe-a-Pierre*) asked the hon. Minister of Energy and Energy Industries:

Further to the response to a Prime Minister's Question on December 11, 2019, could the Minister provide the final total value of the exit compensation package paid to Mr. Mike Wylie, former Chief Executive Officer of Heritage Petroleum Limited?

The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan): Thank you very much again, Madam Speaker. Madam Speaker, no final exit compensation package has been paid to Mr. Mike Wylie, former CEO of Heritage Petroleum Limited. As we speak, negotiations among the parties are still in progress.

Madam Speaker: Supplemental, Member for Pointe-a-Pierre.

Mr. Lee: Could you state, Minister, when was the last period that Mr. Wylie got some sort of compensation from Petrotrin?

Madam Speaker: Minister of Energy and Energy Industries.

Sen. The Hon. F. Khan: I cannot say that at this point in time, but I know his final termination package is being negotiated amongst the lawyers of Trinidad Petroleum Holdings Limited and Mr. Wylie's attorney and we expect to bring that to conclusion very shortly.

Madam Speaker: Members, Question 17 is deferred for two weeks.

DEFINITE URGENT MATTERS

(LEAVE)

Coronavirus

Dr. Tim Gopeesingh (*Caroni East*): Thank you, Madam Speaker. In accordance with Standing Order 17 of the House of Representatives, I hereby seek your leave to move the adjournment of the House for the purpose of discussing a definite matter of urgent public importance, namely the threat that Trinidad and Tobago currently faces in the wake of the outbreak of the deadly Coronavirus.

The matter is definite because it pertains to the very serious medical risks that our nation potentially faces from this very deadly newly-discovered China-based virus, which continues to spread at an alarming rate.

The matter is urgent because it poses a potentially serious threat to the well-being and lives of every single citizen of our country and can potentially drastically disrupt our national security apparatus and our nation's economic and social fabric.

The matter is of public importance because it calls into serious question the very readiness of our nation and in particular the Ministry of Health to deal with any outbreak of the coronavirus in our country. Thank you, Madam Speaker.

[Desk thumping]

Madam Speaker: Hon. Members, I am not satisfied that this matter qualifies under this Standing Order. Members may note that this issue was allowed under Prime Ministerial Questions.

Government's Failure to Deal with Crime

Mrs. Kamla Persad-Bissessar SC (Siparia): *[Desk thumping]* Thank you Madam Speaker. I hereby seek your leave to move the adjournment of this House today under Standing Order 17 to discuss a definite matter of urgent public importance, namely the failure of Government to provide any tangible solutions to deal with the unabated levels of serious and violent crime that has gripped Trinidad and Tobago.

The matter is definite as it pertains specifically to continued levels of serious crime, which has become almost an institution under this Government, with at least 37 persons murdered in just 27 days of this year, in the first month of 2020, with the total number of murders exceeding 2,050 over the past four years.

The matter is urgent because Government has failed to make good on its 2015 promise to the people of T&T to address what they themselves recognize, and I quote:

as the most serious problem affecting our citizens today.

The matter is also urgent, because not only has the Government absolutely failed to win the war against crime, they have abdicated their responsibility to country by asking not to be judged on their failure.

The matter is of public importance because the Government continues to be out of touch with reality on this most burning national issue of crime by the National Security Minister's claim that the country is not in crisis and because of which no one in T&T feels safe and no one is safe. I thank you, Madam Speaker.

[Desk thumping]

Madam Speaker: Hon. Members, I am not satisfied this matter qualifies under the Standing Order. Members shall note, however, there is a Private Member's Motion, No. 5, which deals with this subject.

STATEMENT BY MINISTER

Red House Restoration Project

Madam Speaker: I have been advised that there is agreement that the Prime Minister shall speak until he completes his statement. Prime Minister. [*Desk thumping*]

The Prime Minister and Minister of Planning and Development (Hon. Dr. Keith Rowley): Thank you, Madam Speaker. Madam Speaker, I rise today under the Standing Order to put on *Hansard* information pertinent to the Red House Restoration Project.

By way of background, Madam Speaker, the Red House in Trinidad and Tobago was constructed in 1844. The Parliament of Trinidad and Tobago opened in the same year that Queen Victoria of England was preparing to celebrate her Diamond Jubilee. The Colonial Government of Trinidad and Tobago, in recognition of that milestone achievement, coated the Parliament building in red paint. Thereafter, it was referred to as the Red House. In 1903, when the Water Riots erupted in Trinidad, the 1844 structure was destroyed. In the period 1904 to 1906, the Red House, as it is known today, was rebuilt.

Under the guidance of the then Speaker of the House, the hon. Hector McClean and the then Attorney General, Ramesh Lawrence Maharaj, the rehabilitation works were originally placed within the remit of NIPDEC from 1997—2004. During this time, the temporary roof for the North Chamber was installed to allow for the continuous sitting of the House. The South Chamber at that time was in total disrepair and certain parts of the roof and ceiling had

Statement by Minister (cont'd)
Hon. Dr. K. Rowley (cont'd)

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collapsed, making that section of the building uninhabitable.

In 2004, UDeCOTT assumed responsibility for the restoration of the Red House building. In July 2011, seven years later, the Parliament was relocated to Tower D at the Waterfront. This was done in order to begin the complete restoration works.

In August 2012, UDeCOTT constructed the temporary roof over the South Chamber to retard further damage to the structure. Up to this point, 15 years later, the only actual construction work of any significance that had been attempted was the roof replacement, which did not progress with any satisfaction and there were issues with the contractor which required legal surrender on advice to the Government from the Attorney General's Office. It should be noted, Madam Speaker, that what exists now on the roof is not rust, as some would like it to be, but is newly installed high quality copper roofing.

With respect to the procurement strategy, Madam Speaker, it is noteworthy that between 2012 and 2015, the project was plagued with numerous delays and legal disputes without any work being done. One contractor even submitted a bill for \$38 million but having not laid a slate on that roof.

In addition, the project was delayed for two years due to the discovery and confirmation of the remains of First Peoples at the Red House; this having to be respectfully handled in accordance with the UN stated protocols.

On May 11, 2015, UDeCOTT issued a request for proposal (RFP), locally and internationally, via newspaper advertisements, for a single general contractor on the Red House Restoration Project. Tenders closed on November 20, 2015. The Government changed on September 09, 2015. Fifteen entities purchased the tender documents, but only three entities submitted bids. These entities are as

Statement by Minister (cont'd)
Hon. Dr. K. Rowley (cont'd)

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follows: NH International submitted a bid in that tender process for \$653.765 million, VAT inclusive. Bouygues Batiment Trinidad & Tobago Construction Company Limited submitted a bid for TT \$776.13 million, VAT inclusive. SCG, which I think is Shanghai Construction Caribbean Group Limited, failed the eligibility requirements. It was a two envelope system and you had to pass envelope one to get to envelope two. This contractor, the third one that did submit, did not get the right to go forward because of ineligibility.

On review of the submissions, the new PNM Government regarded these tender submissions as exorbitant. UDeCOTT was instructed by the new administration not to proceed with the bids and to utilize alternative affordable solutions to bring the cost down to better value for money.

In addition, UDeCOTT was directed not to proceed with the companion building, which was estimated to cost an additional \$303 million. Had the Government proceeded with what was before it, this would have meant that the total budgeted cost of the Red House Project being pursued at UDeCOTT would have been approximately \$1 billion; \$653 million to \$776 million for the Red House building, along with another \$300 million-plus for the companion building. That is what was in the pipeline, Madam Speaker.

In the face of this impending disaster, the Cabinet agreed to the formation of a Sub-Committee of the Cabinet, chaired by the Prime Minister and including the Minister of Finance, the Attorney General, Minister of Planning and Development, Minister in the Office of the Prime Minister, and the Clerk of the House, to take direct control of the assignment to rectify the situation and bring about the complete restoration of a group of heritage buildings.

On February 03, 2016, UDeCOTT met with the Ministerial Sub-Committee,

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Hon. Dr. K. Rowley (cont'd)

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headed by the Prime Minister, who advised UDeCOTT of the following:

1. The Red House will be restored as an official seat of the Parliament and include all key facilities required to operate the Parliament. This reconfiguration would relocate services originally envisioned to be located in the companion building to the Red House; and
2. The project is to be retendered, taking into consideration alternative project delivery methods.

In light of these instructions, UDeCOTT put an end to the procurement process for a general contractor for the restoration of the Red House.

By letter dated April 04, 2016, the Office of the Prime Minister advised UDeCOTT that Cabinet had agreed that the Office of the Prime Minister take responsibility for the restoration and refurbishment of the undermentioned historical buildings:

The Red House;
President's House;
Whitehall;
Stollmeyer's Castle; and
Mille Fleurs.

The client, the Office of the Prime Minister, via letter dated August 11, 2016, further instructed UDeCOTT to execute the packages by the cost-plus pricing method. In carrying out these instructions, UDeCOTT, instead of awarding the entire project to one contractor, broke the project up into a series of 22 components of work, which were tendered separately. This provided huge logistical and project management challenges, but the new board and improved management embarked upon it with confidence and overcame them with flying

Statement by Minister (cont'd)
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colours, for which we must thank them all. [*Desk thumping*] I so do now, Madam Speaker, on behalf of a grateful nation.

With respect to the restoration and construction works, the following cost breakdown is available. It depicts the breakdown of the 22 packages for restoration and construction at the Red House building, inclusive of costs:

- Package 1: Site demolition; contractor, Construction Services and Supplies Limited; contract sum, \$2.04 million.
- Package 2: Structure and blockwork, Adams Project Management & Construction Limited; contract sum, \$32.3 million.
- Package 3: Seismic retrofitting, Tohmatsu Technologies Limited; cost, \$37.26 million.
- Package 4: Internal and external render, ASAT Innovative Construction Company Limited, \$38.498 million.
- Package 5: Roofing and associated carpentry works; Construction Services and Supplies Limited, \$20.1 million.
- Package 6: Bird eradication and termite treatment, UNICOM Limited, \$998,000
- Package 7: Doors and windows, ASAT Innovative Construction Limited, \$51.2 million.
- Package 8: Metal works, Yube's Contracting Services Limited, \$18.8 million.
- Package 9: Plumbing installation, Anthony James Plumbing Maintenance and Construction Services Limited, \$7.4 million.
- Package 10: Air conditioning installation, Abel Building Solutions, \$13.9 million.
- Package 10A: Air conditioning installation, All Temperature Limited—that is the

Statement by Minister (cont'd)
Hon. Dr. K. Rowley (cont'd)

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contractor; cost, \$13.09 million.

Package 11: Sprinkler installation, Frank Mouttet Limited, \$4.1 million.

Package 12: Lift installation, RBP Lifts Limited, \$4.5 million.

Package 13: Electrical works, contractor, Lezama Electrical Services Limited,
\$60.04 million.

Floor, wall and ceiling finishes of package 14, UNICOM Limited,
\$42.4 million.

Floor, wall and ceiling finishes in package 14A, NH International
(Caribbean) Ltd, \$17.1 million.

Package 15: External works, NH International (Caribbean) Limited and FIDES,
together for a sum of \$27.7 million.

Package 16: Enabling works, scaffolding, Scaffolding Experts Company
Limited, \$3.05 million.

Package 17: Temporary roof removal, Amcoweld Engineering Services
Limited, \$2.2 million.

Package 18: TV Broadcasting Services Limited, Media 21 Limited, \$6.95
million.

Package 19: Radio broadcasting services, Stega Engineering Limited, \$995,000.

Package 20: CCTV, access controls, intrusion alarms, Telecommunications
Services of Trinidad and Tobago Limited, \$8.1 million.

Package 21: Furniture fit-out, Bewil & Company Limited, \$3.6 million.

Package 22: Structured cabling, voice and data, Karik Systems, \$2.26 million;

For a sub total of \$419.332 million, with a contingency in place of \$21.667 million
at budgeted total of \$441 million.

And Madam Speaker, it should be noted that all, except, I think, one of these

contracts almost exclusively awarded to local contractors. [*Desk thumping*]

Madam Speaker, subsequent to the internal demolition works at the Red House, UDeCOTT proceeded to excavate and construct at basement level in the Red House to create rooms for the plant and equipment. UDeCOTT surveyed the roof, restored and rebuilt the roof with timber and slate. The external render of the building showed significant deterioration and required the loose material to be chipped out and replaced. The project also included the supply and installation of timber floors and new ceiling.

In addition, Madam Speaker, to the restoration of the historic building, the Red House underwent seismic retrofitting to bring the building to code. The upgrades to the restored building include but are not limited to:

1. Total revamp of the MEP services to include air conditioning, lifts, firefighting abilities and sprinklers.
2. Addition of a fully operable wireless security system.
3. Improved circulation throughout, inclusive of access for the physically challenged.

Further to the previously mentioned upgrades, Madam Speaker, two Chambers, one for the Lower House and one for the Upper House, were created. The new seating arrangements in both Houses will now accommodate 60 members per Chamber.

Madam Speaker, it is noteworthy that 21 contractors are local firms, operated and owned by the citizens of Trinidad and Tobago. The Red House Restoration Project has employed approximately 3,000 persons, which include architects, engineers, surveyors, carpenters, plumbers, electricians, masons and significant numbers of non-skilled labour. [*Desk thumping*] Of the \$441 million

Statement by Minister (cont'd)
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budgeted for the project, approximately \$185 million was remunerated in wages, salaries and consultancy fees—[*Desk thumping*]*—*providing employment over the period 2016 to 2019, for those persons who were engaged in the restoration of this building.

This project has contributed to the transfer of knowledge with respect to the specialized skills such as skilled limestone rendering, restoration of detailed cast iron work, and the restoration and use of timber.

In summary, Madam Speaker, it is important to note that by changing course and changing the method of project management, UDeCOTT and the Parliament staff, under the firm and decisive direction and guidance of a Cabinet Sub-Committee, in 44 months, from tender process to award, to completion, the Red House project has been finally completed at a cost savings of approximately \$600 million—[*Desk thumping*]*—*less than the previous pathway. The details of the expenditure are secured at UDeCOTT and are available for internal audit.

Additionally, in order to make sure that the public is not distressed by misinformation and hidden agendas, I have today instructed the Ministry of Finance to have the Central Audit Department conduct a necessary examination of this project and prepare all necessary reports. [*Desk thumping*]

Finally, Madam Speaker, now that we have returned Parliament from temporary accommodation at the Waterfront Towers, we leave behind approximately 166,000 square feet of useable space. As has already been announced by the Government, a major part of our crime fighting, crime suppression and acceleration of civil and criminal justice proceedings will involve the immediate use of much of this space and others.

The space released by the Parliament at Tower D at the Waterfront is to be

Statement by Minister (cont'd)
 Hon. Dr. K. Rowley (cont'd)

2020.01.27

used by the Judiciary. Tenders for the outfitting for the Judiciary have already been invited and close on February 2020, and these works are currently estimated to take 12 weeks to complete. It is anticipated that by May 2020, the civil courts of the Judiciary will commence by occupying Tower D. [*Desk thumping*]

This far-reaching development will see 32 Chambers for judges and masters. This move of the civil courts will also free up for use at the Hall of Justice 40 courtrooms, 24 hearing rooms and five mediation rooms. This massive shift could only have serious positive effect on the dispensing of justice across the nation.

3.00 p.m.

Additionally, Madam Speaker, given the expansion of the judicial system, the Cabinet has already approved 357 new job positions to populate the Criminal Division which will expand its reach and effectiveness at the Hall of Justice. [*Desk thumping*]

Madam Speaker, we are a blessed people, but amongst our blessings are many problems of one kind or another. What this Red House project should teach us, is that it is not enough to just talk about them and believe that they cannot be solved. It teaches us that there are good options available. All we have to do is choose good options and get on with it. Here, Madam Speaker, we have done it. Let us get on with it and on to the rest of it. [*Desk thumping*]

Mr. Hinds: Great is the PNM.

Mr. Charles: And now the dragon.

**FINANCE (VARIATION OF APPROPRIATION)
 (FINANCIAL YEAR 2019) BILL, 2020**

Bill to vary the appropriation of the sum the issue of which was authorized by the Appropriation (Financial Year 2019) Bill, 2020 [*The Minister of Finance*];

UNREVISED

read the first time.

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

Question put and agreed to.

STANDING FINANCE COMMITTEE REPORT

(ADOPTION)

The Minister of Finance (Hon. Colm Imbert): [*Desk thumping*] Earlier today at 10.00 a.m. the Standing Finance Committee of the House of Representatives, met and agreed to a variation of the 2019 Appropriation and to the write-off of losses approved for fiscal 2019. The Standing Finance Committee also noted the transfer of funds between Sub-Heads on the same Head of Expenditure for fiscal year 2019.

Madam Speaker, the variation of appropriation of resources—oh, I am sorry.

Madam Speaker: I just want to point you to the procedure.

Hon. C. Imbert: I am terribly sorry, I apologize. Thank you, Madam Speaker, I am slightly under the weather.

Madam Speaker, I beg to move the following Motion standing in my name:

Be it resolved that this House adopt the Report of the Standing Finance Committee of the House of Representatives for the Fifth Session (2019/2020), Eleventh Parliament on the consideration of proposals for the Variation of Appropriation for the fiscal year 2019.

I shall now go into my presentation and I repeat, Madam Speaker, that this morning the Standing Finance Committee of the House of Representatives met at 10.00 o'clock and agreed to a variation of the 2019 appropriation and to the write-off of losses approved for fiscal 2019. The Standing Finance Committee also

noted the transfer of funds between Sub-Heads under the same Head of Expenditure for fiscal 2019.

The variation of appropriation of resources in the sum of \$255,369,874 was necessary on the basis of the following: To provide additional funds in the sum of \$255,369,874 to bring to account debit advices for the period December 2018 to September 2019 in order to meet the payment of interest on overdraft with the Central Bank.

The Standing Finance Committee also noted the transfer of funds between Sub-Heads under the same Head of Expenditure in the sum \$1,310,034,704 for fiscal 2019. The total increase in the Heads of Expenditure being proposed is \$255,369,874. The total decrease is an equivalent amount, the exact amount of \$255,369,874 which produces a net effect of nil. The approval for the re-allocation of funds is currently being sought by way of the Finance (Variation of Appropriation) (Financial Year 2019) Bill, 2020. As is customary the matters relating to that Bill will be dealt with in the debate on this Motion.

The details of all the proposed changes were circulated to all Members of the Standing Finance Committee and discussed at the meeting this morning. Clarification was sought with respect to some of the proposed changes. Let me at this time address the Head of Expenditure for which the reduction in the sum of \$255,369,874 is proposed. It should be noted that following a final review of the 2019 accounts, savings have been identified under the Head of Expenditure 39, Ministry of Public Utilities. And in response to a comment made at another time by the Member for Caroni Central, that is the technical trade savings. You had used decrease but it is savings. It is just a term of art.

The reason for the savings under this Head of Expenditure are as follows: In

fiscal 2019 the amortization schedule with respect to the T&TEC 812.6 million fixed rate bond was revised which resulted in a reduction of the semi-annual instalment paid on the principal, therefore realizing savings, and not savings over the original appropriation. It is proposed that the sum 1.13 million in savings be utilized to deal with the interest cost on our overdraft.

This is a standard amortization process. The question was asked of me whether this would result in an increased payment in the future, the answer is no. The payments will be further reduced in fiscal 2020 as in the amortization schedule the payment of principal decreases over time. So we are not going to pay more in the future, we will pay less.

With respect to the second item, the Government has negotiated a guaranteed loan in the sum of US \$100 million or TT \$680 million on behalf of the Water and Sewerage Authority. This is intended to enable the Authority to repay its revolving credit facility and to settle outstanding obligations to the Desalination Company of Trinidad and Tobago Limited. Therefore, the savings in the sum of 254.24 million which were allocated to WASA can be utilized to deal with the interest on the overdraft.

In answer to questions asked, WASA pays Desalcott US \$6 million a month, 72 million a year which is more or less the same figure I gave you. With respect to this particular \$100 million, because WASA has the capacity to pay approximately \$3 million per month from its own income of this \$100 million, I am advised that 56 million will be for arrears and \$44 million will be for payments in fiscal 2020. This would give WASA a little uplift, because they would normally pay 36 and struggle to pay the other 36. We are paying 44 for them, so they would have another US \$8 million available to them over TT \$50 million for other expenditure.

The Standing Finance Committee also agreed to the write-off of losses of sums totalling \$7,125,446.73 under various Heads of Expenditure including the Ministry of Finance, Ministry of Education, Ministry of Rural Development and Local Government. These sums represent overpayment of salaries and Cost of Living Allowance to retired staff of the above named Ministry.

I just want to reiterate that contained within these write-offs of overpayment of salaries and COLA to retired staff were write-offs to approximately 1,000 teachers and other members of staff. And in answer to a question raised this morning, yes, Rajcoomar Bhagaloo was our candidate in the local government election and yes I have checked, these matters are dealt with by the Ministry of Finance when they are sent to us by the Auditor General. And as I said this morning I am happy to be able to settle this matter for Mr. Bhagaloo which has been outstanding since 2011. Madam Speaker, I am happy to be able to settle this matter for Mr. Bhagaloo. I am also happy—[*Crosstalk*]*—*we are happy on this side to settle this matter for the 1,000 teachers whose political persuasion we do not know. [*Desk thumping*] I am happy to be able to settle the write-off for 1,000 teachers regardless of their political persuasion.

With respect to transfer of funds between Sub-Heads under the same Head of Expenditure with effect from August 1988, Cabinet delegated its authority to approve transfers between Sub-Heads under the same Head of Expenditure to the Minister of Finance when it agreed among other things as follows: Request for transfer of funds between separate Sub-Heads under the same Head of Expenditure should no longer be submitted for the Cabinet, but can be decided by the Minister of Finance on the advice of the Budget Division. And this relieved the Cabinet of a tremendous amount of paperwork. This was done under the NAR administration in

1988.

Prior to that transfers between Sub-Heads, in other words, a Head of Expenditure is a Ministry, a Sub-Head would be an item within the appropriation for that particular Ministry and prior to 1988 all transfers between Sub-Heads within a Ministry had to go to Cabinet. But in August 1988, Cabinet delegated its authority to the Minister of Finance. So what happens is that the Ministry requires to make a payment, they may not have sufficient funds appropriated under a particular Sub-Head or Sub-Item, they would simply look in all of the various Sub-Heads and Sub-Items that they have and make an appropriate application to the Minister of Finance for a transfer and this is usually agreed to. It is a routine matter.

Consequently the Minister of Finance approved the transfer of funds in the sum of \$1,310,034,704 between Sub-Heads of the same Head of Expenditure for fiscal 2019. This is the standard practice. This is done every year that I have been in this Parliament for the last 28 years. No matter which government has been in power, these transfers are approved by whoever is the Minister of Finance, based on notes from the respective Ministers requesting the transfer.

These transfers are necessary reflecting changed circumstances in the Ministries and Departments and the consequential reordering of priorities which does not increase the total appropriation in any way. Statements showing the transfers approved by the Minister of Finance and explanations for these transfers were attached to the agenda for the Finance Committee Meeting and provided to hon. Members of this House to every Member.

I would now like to speak briefly about the fiscal out turn for 2019. At the time of presentation of the 2019 Budget, oil and gas revenues were formulated

using an oil price of US \$65 per barrel and a net back gas price of US \$2.75 per MMBtu, and let me state again that this has no relationship to Henry Hub. Based on these and other relevant assumptions, the total revenue projected for fiscal 2019 was \$47.7 billion. The forecast for expenditure was \$51.7 billion resulting in an anticipated deficit of just over \$4 billion for fiscal 2019. In September 2019 at the time of the finalization of the 2020 Budget preparation exercise, revenue was in fact projected at \$46.6 billion and expenditure revised downwards from \$51.7 billion to 50.5. We are currently fine-tuning the actual out turn.

But, Madam Speaker, I want to bring to your attention something that has disturbed me greatly since I was given the portfolio of Minister of Finance in 2015. In 2013, Madam Speaker, the then—actually 2014. Yes, 2013. Cabinet in January 2014 noted that the Government had issued on December 11, 2013, a US \$550 million 4.375 bond due 2024, and agreed to grant covering approval—and these words are important, agreed to grant covering approval for the then Minister of Finance, my predecessor, to enter into what is called a forward starting swap lock with it Citibank Group. The US \$250 million forward starting swap lock was entered into on December 11, 2013, at the time that the Government issued its US \$550 million bond at 4.375 per cent due January 2024. The purpose of entering into this swap lock was to maximize the potential benefits from the low interest rate environment prevailing at that time.

During a road show, carried out by my predecessor, at the end of that road show a decision was taken to partially hedge against the rise of US long-term interest rates over a 10-year period. Essentially, Madam Speaker, what the then Minister of Finance did, with eventual approval of the then government headed by the Member for Siparia, was to gamble on interest rates in the United States, and to

gamble that US treasury rates would increase. Madam Speaker, this ill-advised gamble, this ill-advised hedge done in 2013 without Cabinet approval, it subsequently received covering approval. This ill-advised hedge, Madam Speaker, has cost this Government hundreds of millions of dollars, hundreds of millions of dollars.

They gambled on US treasuries, they gambled on US treasuries, Madam Speaker, the then government gambled that interest rates in the United States would rise to 4.83 per cent. It is to be noted that those interest rates actually averaged somewhere less than 2 per cent, Madam Speaker. And it has pained me in the last week to have to sign a warrant to unwind Trinidad and Tobago from that ill-advised forward swap, ill-advised. And we have had to spend an additional \$380 million in fiscal 2019 as a result of that ill-advised interest rate swap entered into by my predecessor.

Hon. Member: Without Cabinet approval.

Hon. C. Imbert: Yes, without Cabinet approval. And I will tell you something, Madam Speaker, I was very careful when I went on the road show, hearing about that incident undertaken by my predecessor. I made sure that no banker and no lobbyist, or any foreign carpetbagger would come to me while I was in the United States and try and encourage and inveigle me into doing this level of foolishness. But it has cost this country gravely, Madam Speaker, and we have decided to get out of it, because the forecast was that if we remain in that this was done for 10 years from December 2013 to 2023. If we remained in that we would continue to lose vast sums of money. So we unwound it and we got out of it. [*Desk thumping*]

In addition, Madam Speaker, this was a swap done by the Government way back in 2001 and at the inception of that swap a threshold, so US \$75 million was

agreed. This meant that Government only made payments to Citibank when the amount owed to Citibank was greater than US \$75 million and Government only paid the differential amount in excess of US \$75 million. For reasons unknown, the threshold of US 75 million was reduced to US 50 million in 2011 and it was tied to a downgrade of our sovereign rating.

When Moody's Investor Services downgraded the sovereign rating of Trinidad and Tobago, our credit line moved immediately to US \$15 million from US \$50 million and again we had to make substantial payments to Citibank, Madam Speaker. So those two decisions of the former government to reduce the threshold on the swap entered into in 2001 by a former government from US 75 to US 50 and to gamble on US treasury interest rates have cost this country dearly, Madam Speaker, and we have had to deal with it in 2019—

Mr. Charles: Madam Speaker, 48(1). I fail to see the relevance of what we are doing here today. Relevance. [*Crosstalk*]

Madam Speaker: May we have some order please. Member, I overrule. Please continue.

Hon. C. Imbert: Thank you, Madam Speaker, and I will elucidate because obviously I am not making myself very clear. Madam Speaker, we unwound these swaps in 2019, we have had to make a payment \$380 million which I have had to include in the fiscal accounts for 2019. That should be clear, we have had to make an unplanned, unbudgeted, unforeseen payment of \$380 million in 2019, because they gambled on interest rates in the United States. And contained in that total amount of 380 million, we have had to make payments because they reduced the threshold on a swap done by a former government in 2001, they did that in 2011 to reduce the threshold, Madam Speaker.

Hon. Member: We want back the \$10 million.

Hon. C. Imbert: So, Madam Speaker, as I indicated we have had to spend a little bit more in 2019 than we had planned and we have had to get out of a very bad arrangement made by the last government, very, very bad arrangement.

Madam Speaker, with respect to taxes on incomes and profits there was a decrease in projected revenue as a result of decreased collections from the energy sector, due to the weakening of oil and gas prices on the global market in the latter part of the year, but with respect to individuals, we had an increase in payments particularly because of the success of the tax amnesty of 2019. Again, in terms of value added tax we had a decrease in the projected revenue due to a decrease in collections from the energy sector. However, Madam Speaker, these decreases were offset by higher than projected receipts under non-tax revenue.

We had unanticipated payments from the Heritage Petroleum Company of \$156 million under royalty and oil and gas and under sundry items \$135 million was received by way of a payment from the International Monetary Fund as a result of a re-evaluation of our domestic currency and the rate of exchange obtained in the open market. Additionally, higher than expected receipts of 95 million were also collected under profits from the National Lotteries Control Board.

There were negative variances for profits from state enterprises and dividend payments that were anticipated were not received from the National Enterprise Company Limited because of the unexpected poor performance of TSTT in particular. With respect to the expenditure side, that is the revenue side, when we did the revised expenditure for fiscal 2019 at the time with the presentation of the 2020 Budget, we had expected expenditure to be revised downwards from 51.7

billion to 50.5 billion.

However, the provisional outturn indicates, and it is provisional; we are still fine-tuning that the actual expenditure incurred was 51.4 billion, which was 900 million higher than the revised level. I am happy to say the major areas in which the increased expenditure or the expenditure was higher than projected were other goods and services by 1.196 billion, interest payments by 107 million. Expenditure was also higher under sub-categories of Goods and Services by \$560 million.

And if I go specifically now, the items that reported higher than projected expenditure to facilitate the payment of outstanding bills as part of our programme of trying to clear off all the bills and arrears we were left with. The Trinidad and Tobago Police Service received \$11.6 million to clear off telephone bills; \$14.6 million to clear off arrears for maintenance of police vehicles; \$13.6 million to deal with arrears for fees for the police service; \$15.2 million for arrears for janitorial services for the police service.

The Ministry of Public Utilities got 22.6 million more than anticipated for street lighting. The Ministry of Education got 14.7 million more than anticipated for janitorial services; 39.9 million more than anticipated for security services, and under contract employment, an additional \$14 million for contract employees. For the Ministry of Public Administration, \$37 million were paid to engage iGovTT the acquisition and management of enterprise wide licenses for the use of Microsoft software in Ministries and Departments.

And as I have indicated, with respect to interest payments on domestic loans were higher than project by \$132 billion. Transfers to statutory boards and similar bodies were less than projected by \$242 million, and again a positive development

capital expenditure on the Development Programme was \$153 million higher than expected. With those few words, I beg to move. [*Desk thumping*]

Question proposed.

Dr. Bhoendradatt Tewarie (*Caroni Central*): [*Desk thumping*] Thank you very much, Madam Speaker. I listened to the Minister of Finance with interest and I was happy that he went through some explanations and elaboration, but there are some issues based on the discussion this morning, and now the debate on the report of the Standing Finance Committee. Now, at that Finance Committee Meeting held here in the report, the Minister, as he indeed said, dealt with variations involving transfers from the Ministry of Public Utilities to the Ministry of Finance. He also dealt with write-offs of about \$7.15 million and he also dealt with the issue of transfers as indeed the report includes all of these.

Now, the main item in terms of the variation involves \$255,369,874 worth of “savings” that are being transferred from the Ministry of Public Utilities to the Ministry of Finance. Now, the Ministry of Finance needs this money in order to pay off interest on the overdraft of the Central Bank.

3.30 p.m.

Now, if we look at the document having to do with transfers we will see that this \$255 million is in addition to \$757,800,000 already paid via approval by the Minister of Finance in the transfer process, so that the total amount that has gone for the payment of the Central Bank overdraft is not just \$255 million-plus, Madam Speaker, but close to \$1 billion, in order to service that particular overdraft.

Now, the reason I raised this is because when the Auditor General reported at the end of April 2019, on the public accounts for the period October 01, 2017,

which ended on the 30th of September, 2018, the overdraft at that time in the Central Bank was \$13,645,685,638.02. It is on page 57 of the Auditor General's Report for the year published in 2019, April, but based on 2017/2018 accounts.

At that time, Madam Speaker, the Exchequer Account was overdrawn by \$40,246,393,438.68 which was an increase of just over \$3 billion or 10 per cent of the 2017 figure. So, the overdraft had gone up, and as I said the overdraft—the Exchequer Account was \$40 billion and the overdraft was \$13 billion. Now, these are not made-up numbers, Madam Speaker, these are the recorded facts according to the Auditor General on page 57 of the April 2019 report. Now, there are a couple of points I wish to make on this matter of the Central Bank overdraft. The first one is this, based on the higher revised limit on the Central Bank overdraft, made possible by legislation brought to this House by the Minister of Finance in 2017, the highest amount the Central Bank is allowed to borrow by overdraft is \$12,057,280,000. Now, that would be the borrowing limit based on the 20 per cent calculation of revenue. Now, that is the borrowing limit therefore, and the fiscal space allowed to the Minister of Finance. And if, 13 billion, 645—

Mr. Karim: Which revenue?

Dr. B. Tewarie: Trinidad and Tobago.

Mr. Karim: Which year?

Dr. B. Tewarie: For any year, any given year but—for any given year, that would be the amount. And it would be in this particular instance, 2019 year. It would be this year. No, this would be 2018 year because I am doing April 2019, so in the 2018 year. And I simply want to ask that if the \$13 billion recorded and mentioned by the Auditor General had crossed the limit established by law for the Central Bank, I want to ask the Minister a few questions. And I am not making any

allegations about anything, Madam Speaker. I want to ask first of all, is the overdraft limit according to law just over \$12 billion, that is to say, \$12,057,280,000? And the second thing—so he can tell me yea or nay. The second thing is, is the overdraft amount indicated by the Auditor General as at September 30, 2018, \$13,645,685,638.02, and is that correct? That is what the Auditor General states.

And the third question I want to ask him is that, if those two numbers are right—and I am giving him the opportunity to say that they are right or wrong, and I am prepared to say I made a mistake or I apologize or I withdraw, if I am wrong—did the Minister of Finance break the law? I am asking a question, Madam Speaker. The Exchequer Account at the end of fiscal 2018 stood at \$40,246,393,438.68. I want to ask the Minister of Finance, is that the highest level for the fluctuating overdraft on the EXCHEQUER Account since the Exchequer Account first went into overdraft in the year 2003? And I want to ask the Minister of Finance, is the \$9,720,817,445.45 overdraft left by the Kamla Persad-Bissessar administration in 2015 and recorded in the 2016 Auditor General's Report, is that in fact modest by comparison to the \$13 billion-plus [*Desk thumping*] run-up of the overdraft account by the Minister of Finance in 2018?

And if that is so, I want to ask the Minister of Finance, would the Minister be willing to admit just as I am willing to admit if I am wrong, that his claims in 2015, in 2016, in 2017, made in this honourable House and repeated in 2019—I have the Budget Statement of 2019 here and he repeats it again in 2019, where he says that the money:

“...had been consumed by reckless spending and our overdraft maxed out, resulting in depletion of...available cash...”—to government.

I want to ask him if in fact that it was fair or reasonable to claim, and was it not grossly exaggerated that the \$9 billion overdraft of 2015, given his \$13 billion in 2018, it was grossly exaggerated that we had maxed out the overdraft, and that we had done something wrong. [*Desk thumping*] I ask that, Madam Speaker, in a context in which in the last budget presentation here, when I responded, I actually read a letter from the Central Bank indicating in fact that we had acted according to law and that there was no violation of any kind based on the 2015 accounts. Now, I also want to ask the Minister of Finance, would he admit that in December 2019, that is last month, would he admit that in December 2019, the use of the overdraft at the Central Bank was generally about 99 per cent of the limit?

Hon. Member: What? Say that again?

Dr. B. Tewarie: I want to ask him if he would truthfully say to the Parliament and the country, that the use of the overdraft in December was approximately 99 per cent of the limit. [*Desk thumping*] Would the Minister be willing to say as well, whether he refused to provide the overdraft figure to this House despite several queries on this side about the overdraft amount, [*Desk thumping*] for all of the 2019 fiscal year, for the entire period of the 2019 fiscal year because he thought that the figure was embarrassingly high? [*Desk thumping*]

Hon. Member: Face the truth.

Dr. B. Tewarie: And finally, a simple question at the end, what would the figure—the Minister partially answered it this morning by talking about a 78 per cent and it is easy to calculate that. And finally, what would the figure end up being, the Central Bank overdraft figure, I mean, after this interest payment of \$255 million is paid in, and I understand the Minister would tell me that maybe I do not understand and so on, and I understand that it fluctuates, and it depends on

how the money goes in, how the money comes in, how the Central Bank payment is paid based on their revenue as opposed to how the Government in fact takes money from the Central Bank.

So, I ask those questions in earnest because just as he mentioned something troubled him from 2013, it troubled me all year in 2019, [*Desk thumping*] why he would not say what the Central Bank overdraft figure was. And therefore, I am giving him an opportunity now to share with us in this honourable house, Madam Speaker, and with the population at large, what the numbers are.

Now, let us look, Madam Speaker, at the so-called savings that are coming from the Ministry of Public Utilities which are being used to pay down this overdraft interest. Now, for T&TEC it is a relatively small amount \$1,133,482. And it is coming from a reduction in the semi-annual instalment on a T&TEC loan which has been renegotiated. They used the word here, “amortize”. Now, I can only surmise that the savings derived from a smaller semi-annual instalment based on negotiations. But, I asked the Minister a question this morning whether the amount of the payment would go up? In other words, whether the repayment figure has been reduced now but it will be increased later. And, I have a feeling that while the interest payment is not going to go up, we may end up with higher sums when you put interest and capital repayment together later in the year. And my colleague there mentioned Varinstall which is something that should not be ignored. The younger people in the citizenry will not know about that, but Varinstall was a system, I think established by the Co-operative Bank at that time, if I am not mistaken, I might be wrong.

Mr. Karim: Workers Bank.

Dr. B. Tewarie: The Workers Bank at that time, in which you would take a

mortgage and pay a small interest payment in the early stages, but the assumption was that as you gain more income you will be able to afford a higher mortgage rate, a higher interest payment, and of course, that caused a lot of trauma for a lot of people in this society, home owners. And I will not say that this is a Varinstall arrangement, I will not be irresponsible about this at all, but I have a feeling that the payments that are due later in the term as you move forward, 2021, maybe not '21 but '22, '23, '24, I have a feeling that the sums of payment that are going to be due, are going to be higher than they are in the years 2019 and 2020. So, the Minister, if I am wrong, again he can correct me and indicate to me what the facts are, and I would be happy to know the facts.

Now, the more substantial sum is \$254,236,392 which comes from WASA. Now, I must say, the Minister explained that the technical term is “savings” and I understand what he means. And in the case of T&TEC, in a sense it is a savings because you are paying less than you might have paid, had the loan not been renegotiated. But in the case of WASA, I find it very hard to—despite the explanation—to understand how this \$254 million can be savings, because when you take the \$100 million US loan—and the Minister did not tell us who he took it from, he said it is a local institution, but he told me this morning, he told us this morning that he would tell us who it is, so I hope maybe in the windup that he will tell us. When you take the \$100 million loan, is this not just taking a loan, Madam Speaker, in order to pay another loan?

So, I do not see, I do not—[*Crosstalk*] What I do not understand is the word savings. Now, nothing in these transactions have to do in my view with revenue increases. The Minister did at the end when he talked about the fiscal out turn, talked about how the revenue had changed, and how the expenditure had changed

showing what had happened, and I was appreciative of that, I cannot remember everything that he said because I was trying to follow the trend rather than the exact numbers of what he was saying. But there is nothing in these transactions that has to do with revenue increases or gains that are subsequently being diverted, nor are they genuine savings based on the reduction of cost except in the one instance as I said of the T&TEC renegotiations that brought the interest rate down but not the loan down. And I raise the issue of possible higher payments later.

Now, in the transfers authorized by the Minister of Finance which we took note of earlier, it is all about when you look at the details of it, it is all about work not done, and in some instances suppression of expenditure. So, calling funds garnered in this way, “savings”, Madam Speaker, is in a way stretching it a bit, okay. [*Desk thumping*] Also, the Government’s priorities raise questions. Now, when you do not provide money for food cards, or the Children’s Fund, or for money that you owe cane farmers, but you provide \$6.3 million for a lobbyist in Washington DC, [*Desk thumping*] it seems to me that the Government has its priorities wrong.

So, I will say a little bit about some of these things later but I want to deal with the T&TEC matter and the WASA matter because they are so central to this. The loans for T&TEC as I understand it, Madam Speaker, involved two sums, \$812 million and \$800 million, which T&TEC themselves on their own cannot pay, so government has to pay. These payments come to an end in 2026. Negotiations to change amortization payments to reduce the level of payments now, I want to insist, might in fact postpone the situation for higher payments later, not necessarily interest costs. This means that stress will be eased on the Government now, but a new government will have to meet a higher burden of

repayment. And as Members of the Opposition, I want to say that I understand what the Minister is doing, but it would be a matter of concern to the Opposition and should be a matter of concern as well to the country.

In the case of WASA and Desalcott, what we have here is a—WASA is a corporate entity which generates about \$700 million in income annually. But WASA needed \$1.8 billion in subventions to meet its obligations. WASA did not get its full allocation. WASA owes Desalcott US \$200 million which is about \$1.4 billion. The US \$100 million loan will not cover all that is owed to Desalcott, and that is why I say that the \$254 million-plus should not be described as savings. In addition, the need for US dollar payments to Desalcott puts an additional stress on foreign exchange and foreign exchange management.

Now, the issues of WASA and T&TEC are bigger than debt repayment, Madam Speaker. It is bigger than the juggling of numbers, it is bigger than creative accounting, and it is bigger than kicking the ball up the hill. Clean water and ample supply of electricity are absolute necessities. You cannot have civilized life without these two things. And this is something we must—absolutely must fix and get right, water and electricity. As far as water is concerned, we have WASA and its perennial problems of low water capture, unfilled dams, ageing infrastructure and thousands of leaks. We have Desalcott which started with 24 million gallons of supply to WASA, increased to 40 million gallons, my colleague from Chaguanas West spoke about that this morning. You have an additional 2 million gallons of desalinated water via Seven Seas which provides water to WASA at a higher cost. My colleague pointed out that this morning as well. And more than that, for that particular plan, the Government has to pay the energy cost as well, which is not something that is associated with Desalcott.

So, there is also a plant in Moruga that has never functioned and is a white elephant. In the Caparo Valley which is a flood-prone area, the whole country knows that, some years ago a natural sink hole formed that can store by estimates up to 2 million gallons of water in Mamoral. All we need is the application of political will and the application of simple technology. [*Desk thumping*] And I am sure that we can fix leaks or replace pipelines for a more permanent solution to efficiency, but we must have, Madam Speaker, a comprehensive solution to water, we cannot continue like this.

Now, there are more things that one can say about this. But this is not a debate about water. I simply mentioned it to say that the debt issue, the management of the fiscal space, the difficulties that we are managing are only one part of the solution to a big problem of necessity. And that if we address this whole big problem of necessity, we might be better off in addressing this part of the bigger whole with a long-term view on sustainability and what Trinidad and Tobago needs.

Now, Madam Speaker, you notice I did not blame anybody on this matter. Enough mistakes have been made, but we do need the solutions and I simply outlined the assets and liabilities—some of them, that we now have, having to do with water, with the production of water. So too, I would not assign blame for electricity and T&TEC to anyone because citizens are tired of the blame game. They do not want to hear it anymore.

Hon. Member: Get the job done.

Dr. B. Tewarie: And so T&TEC as a corporation needs a solution as well. T&TEC is a fairly effective corporation in terms of the distribution of electricity, in terms of responsiveness when things go wrong, and in terms of customer

service. But for all the issues that have arisen from PowerGen to TGU, the current complications with NGC, the price of natural gas, the economic and financial viability of T&TEC as a corporation, and the potential burden of a price increase to consumers—

Madam Speaker: Member for Caroni Central—

Dr. B. Tewarie: Yes.

Madam Speaker: Your original speaking time is now spent. You are entitled to 15 more minutes to wind-up your contribution if you wish.

4.00 p.m.

Dr. B. Tewarie: Thank you very much, Madam Speaker. [*Desk thumping*] So for all of these problems, we are now faced with the current situation, including a burden of a potential price increase to consumers and the impact of the resolution of such issues, ultimately on industry competitiveness and/or general competitiveness as a country. They remain real issues which we cannot continue to postpone or avoid, because one of the things the ordinary citizen might not fully comprehend, although they know, is that the price of electricity, because of the price of natural gas so far up to now in Trinidad and Tobago has been a major factor in competitiveness of industry in Trinidad and Tobago, all industries. So I mention that. It is not a simple problem of managing debt and managing the repayment. It is a big problem of two essential commodities.

Now, I will leave that. There is a lot more that I can say, but I will leave that and simply make one or two points about the debt profile that is emerging in Trinidad and Tobago, because as I said before, we have a situation in which we are borrowing to repay, and we have a situation in which the Central Bank recently told us that our official debt is now at \$106 billion, and it is very difficult to

determine what the full indebtedness is, Madam Speaker, but I want to say that it is really quite substantial, and I do not want to call the numbers, because I think it is going to frighten people.

I just want to, perhaps, mention a couple of things that it might be useful to mention, because what we have in Trinidad and Tobago is not just the 106 billion-dollar debt that the Central Bank identifies, but a set of debt owed by a number of entities for which, ultimately, we are responsible as a nation as taxpayers and as Government representing the taxpayers, and all of us in Parliament as representatives of the people as part of Government. Now, you have debt involving institutions like WASA, NIDCO, NIPDEC, UDeCOTT, EFCL, NGC, T&TEC, and you have hospitals that we are building. You have government-to-government arrangements, both intact and pending. All of these together, cumulatively, present an amazing challenge to a small country like Trinidad and Tobago with a GDP like ours even when we are doing well and, as you know, Madam Speaker, we have not grown in the last four and a half years.

The Minister of Finance—we are dealing with the 2019 budget. The 2019 budget is the one in which the Minister talked about “Turnaround” and which he talked about growth and in which he talked about the game changers. When you look at that, on every count the hon. Minister has been wrong, and we are dealing with a situation in which our revenue is challenged. We must meet certain expenditures, and the percentage of revenue that is now allocated to debt is about 20 per cent. That is pretty high in a situation where your economy is not growing, where your gas sector is under pressure, where your downstream sector from gas is under pressure, where you are having no structural changes in the economy to move away from fossil fuel dependency, where the confidence is low where you

are not getting the investment that is required to begin a diversification, where your exports are down and where your foreign exchange is under pressure, Madam Speaker.

So, I simply take this opportunity to raise the debt issue. As I said, I do not want to use any numbers, except the number officially used by the Central Bank, because I am not about scaring anybody or raising an alarm because these are national problems and we need to solve them as national problems. Something goes wrong with Trinidad and Tobago, every citizen suffers. Something goes right with Trinidad and Tobago, every citizen has an opportunity to have a beneficial effect in their lives and, therefore, I want to not raise an alarm, but to warn about this matter of debt and indebtedness in a situation in which, in my view, we are not managing the finances in terms of its alignment with priorities to allow the country to move away from a recession to begin to generate the confidence that is required and to begin the process of growing.

Now, Madam Speaker, I want to close on just one matter. I would just be a few minutes on it—I probably just have a few minutes anyway—but that is the matter of the savings accrued related to the cane farmers of Trinidad and Tobago. Now, to me, this is a really vexing matter and I am in a way sorry I have to raise it again. And what is more disturbing is, because I thought, Madam Speaker, that when this matter was brought to court by the cane farmers through attorney Gerald Ramdeen—

Mr. Al-Rawi: Madam Speaker, I rise on Standing Order 49 please.

Madam Speaker: And this is with respect to sub judice.

Mr. Al-Rawi: Yes, Ma'am.

Madam Speaker: And, therefore, if you say so, I would have to ask you to stand

on that and if that is so Member, I would not allow you to speak to that.

Dr. B. Tewarie: I do not think it is sub judice, but I believe—

Mr. Al-Rawi: You just said that it was brought to court by Ramdeen. How could you not say that?

Dr. B. Tewarie: So because it is in court?

Madam Speaker: Excuse me?

Mr. Al-Rawi: You do not know what “sub judice” means?

Madam Speaker: Members, I realize that we are in new surroundings—

Mr. Imbert: Sub judice, not being in—

Madam Speaker: Minister of Finance, I am standing. Member for Caroni Central, I am standing and I say we are in different surroundings, so we might forget. Okay? I have ruled and I would ask you to press on, please.

Dr. B. Tewarie: So I cannot deal with that matter?

Madam Speaker: No, please.

Dr. B. Tewarie: Okay. Madam Speaker, if you will allow me simply to say that I do not think that the matter is sub judice. I am not arguing with the Attorney General.

Madam Speaker: I have ruled.

Dr. B. Tewarie: Yes.

Madam Speaker: Okay.

Dr. B. Tewarie: But I abide fully by your ruling, but this is a matter here—I would not refer to the court matter. This is a matter that could have easily been settled. The farmers are winning their case one by one.

Madam Speaker: So, you just said you would not talk about legal proceedings. Okay? So I think there is something here in the figures you would like to talk about?

Dr. B. Tewarie: Yes.

Madam Speaker: And, therefore, if it is about that, I would allow it, but you have to tread very careful. Okay?

Dr. B. Tewarie: I simply used that—Madam Speaker, you know, I will not violate your ruling. I simply said what I said about the court decisions in order to indicate that when the court decisions occurred, I approached the then Minister of Planning and Development to indicate to her that listen, now that the—

Mr. Al-Rawi: Madam Speaker, that is not the case. I am on Standing Order 49. I attempted to be curt but, Madam Speaker, I can tell you that of the hundreds of matters in the court, this is the subject of the defence and argument before the court which is why I stood carefully.

Madam Speaker: So, Member for Caroni Central, I do recognize what you say that you want to abide by the ruling of the Chair and, therefore, it means that you will have to craft, very carefully, what you intend to say about what has been set out here in the figures. Okay? So, it may need a little more—I do not want to use the word—maybe a lil more craft, but you have to be careful based—So that if you cannot exercise that degree of craft, I would ask you to leave it alone and go on in your few minutes left, and you have a good few. You have about six minutes left.

Dr. B. Tewarie: How many?

Ms. Ramdial: Six.

Dr. B. Tewarie: All right. Thank you, Madam Speaker. I would simply say that the amount here that the cane farmers have lost is not a phenomenal amount compared to the kinds of numbers that we are dealing with here. In terms of the write-offs, it is just over \$7 million. So it means that if you use governmental discretion and due consideration, you could get things done, and you need not go to war on a matter that involves a small amount of money. And I want to say that I

extended an olive branch, and as a Member of the House, I tried to get my colleague on the other side to appreciate that and that small amount of money, instead of languishing and, perhaps, being used for something else, could have been used to keep good faith with the farmers but, maybe they will have to get justice in court.

I simply want to go on to one more matter—I would not take my full six minutes—which is the Ministry of Agriculture, Land and Fisheries, in which there were a lot of savings—and another colleague will probably speak on this, so I do not want to say much on it—but when I look at the list of things from pages 15, 16, 17 and 18, for something as fundamental as agriculture, Madam Speaker, I think that by suppressing all of this expenditure here and not getting these things done—something like food security, something like agriculture which is so important, foreign exchange so critical—I think that this here is a study in the underdevelopment of agriculture. [*Desk thumping and crosstalk*] I cannot believe this list, Madam Speaker.

So I thank you, Madam Speaker, for the opportunity to say a few words here. I want to assure the Minister of Finance that the questions I asked were not meant to be mischievous, they were meant to be questions in earnest, and if he would, in the spirit of public accountability, answer the questions, I shall be most grateful because it would allow me to be more informed about matters pertaining to the economic welfare, financial welfare of the state of Trinidad and Tobago. Thank you very, very much, Madam Speaker. [*Desk thumping*]

The Minister of Public Utilities (Sen. The Hon. Robert Le Hunte): Thank you very much, Madam Speaker, for allowing me to join this debate. I must say it is indeed a pleasure to be able to speak in this Chamber. And, again, I feel very

proud as a Member of this Government to have facilitated the Parliament coming back to its rightful home at the Red House. [*Desk thumping*]

Madam Speaker, I am going to spend a lot of my time dealing with the source of the issue as it relates to those savings, which really centres around the desalination and the desalination water which gets to the heart of the problem and how did we get to that in the first place. But before I get there, I just wanted, sorry—I could not help—I promised myself I would not, but I cannot help it. You know, when I hear the Member for Caroni Central speak about this country and what is happening and the gloomy environment that he speaks about—and he talks about the debt—I wonder if we are living in the same place. I want to remind him—and the lack of confidence, et cetera—that if he just take a look at the Stock Exchange, which is a good indicator of what is happening, you will realize that the Stock Exchange is moving positively in this country. When you look at the profitability of a number of our companies—McAL, Neal & Massy, and a number of companies that operates in this environment—you will again recognize that that business indicator is an indication of the confidence level that the business people also have in this economy.

You know, the banks are also—the banking sector profits is one that also give a good indication of what is happening—the buoyancy in the economy, the amount of money the people are actually borrowing. And if, again, you look at all the indicators, again, it goes contrary to the statement and the prophet of doom and gloom that one tries to create that this economy is lacking in confidence. I just draw to your attention the confidence shown by the people in the last bond, the last NIF that the Government put forward and, again, you show an oversubscription and you show people investing in long-term assets [*Desk thumping*] because of the

confidence that they have.

You know, you also made a point about the debt and, again, after this, I promise I would stop. You talked about the debt, and you know, I want to put on record—and you talked about this rising debt—well, let us compare like with like. Let us deal with the figures that are there because one could always add other institutions or off balance sheet figures and we could get them from anywhere. The reality of this—the reality and the facts are that over the five-year period that the UNC and the partnership was in government, 2010 to 2015, you ended up with an increase in your public debt of close to—at that time, the figure was \$31 billion. That is the reality. The figure showed that it moved from 45 to 76. So you increased the debt by 31 billion, and I dare say, you increased the debt by 31 billion. And debt, as we know in banking, is a way that we use for cash flow management, because sometimes you have to borrow to meet your cash flow shortfalls.

What was significant about your 31 billion is that you did it at a time when the country had \$265 billion in revenue. So you increased the debt by 31 billion when we had \$265 billion in revenue. I just do not want to do the math or do the comparison. The fact is, the figures that I have seen was really 101. You say 106. The reality is from 76 to 101, 102, 106, that really—from 76 to 102, is actually 26 billion. All right?—26 billion. If you take it to the 106, you will see the figures are relatively that we are still borrowing less money than you did over your term.

In addition to that, I want to put it again—you need to put these things into context—at the end of the day, our projected revenue would be in the vicinity of \$216 billion. I dare say, \$49 billion less than what you had. Now, what is \$49 billion? All right? The average revenue for us over the five-year period—average,

right?—216 divided by five—43 billion. So you had even 1.15 per cent more, a whole year extra in revenue to spend. That is the reality. You had \$49 billion more to spend. Our average is 43. And, in addition to that, whilst you had all of that additional revenue, you still also increased the debt by close to \$31 billion. Those are the facts. So when we want to talk, let us get those facts clear so when we want to compare the situation let us compare like with like. So do not come to talk to us about our debt. Look at yourself and talk about what you increased the debt by when this country had an abundance of revenue at its disposal.

Let me spend some time and deal specifically, because what is on the table is this discussion about the desalination plant and the expenditure to deal with desalination and whether or not we are borrowing money to pay loans, et cetera. You also made the statement that the money that is being borrowed will clear all of the desalination's debt. So let us also clear that up. There will be no more arrears afterwards that will be owed to the desalination company. But as I get into this debate, I want to place some facts on the table. Right? Let us deal with the facts of this matter and how we got here in the first place.

Fact number one, and you said it, and I would just reiterate it again. WASA is a bankrupt institution. The reality is, it is a ward of the State. The truth is, WASA gets subvention and we all know in the vicinity of 1.8 to \$2.2 billion over the period. WASA has revenue of approximately \$750 million and carries expenditure to the tune of \$2.6 billion. That is the reality. Salaries and wages represents 42 per cent of expenditure which is about \$1.1 billion, which is actually 140 per cent of the revenue.

Another interesting expenditure, however, is that the cost, the total cost for desalinated water—water that was brought into the system that continually—the

decision that is being taken to bring into the system, the total cost of that today by WASA to help that has allowed, that has played a significant part in those results and those financial positions that I spoke about is \$600 million. So you have an institution that is bringing in revenue of 750 million and \$600 million—\$602 million to be exact, goes towards the payment of desalinated water, not only to Desalcott, to all the desalinated water that we have. That is the reality. If you do the math, that is close to about 75 to 80 per cent. Let us put that to the table.

The second fact that I would like to put on the table in this water as we go forward, is that Trinidad and Tobago is not a water scarce country. Trinidad and Tobago is not a water scarce country. The reality is, when you look at groundwater and when you look at surface water, 23 per cent of our ground and surface water comes from the north-east, 28 per cent comes from the north-west, 29 per cent from central and 20 per cent from south. That is where we get our ground and surface water from. When you look at it, however, we all know—we live in this country—that where we have the abundance of rainfall, the abundance of a water supply, rain falls the most—we know it is in the north-east of the country and, therefore, the north-east of the country is where you have water. The figures, the facts, this is what it is. When you look at, however, the total groundwater and also surface water, where you get them, you realize that there is an abundance of water that you could probably tap into in the north-east of Trinidad and Tobago that you are not presently doing.

The reality is, of the figures that we have, by the Water Resource Agency—and I always get tied up using these figures. I hope I get it right today. When I asked and I saw the estimate, the estimate of the amount of water that they figure that we have in Trinidad and Tobago—and I say this to talk about the fact that we

are not a water scarce country—we are talking about 800,000 million gallons of water a year. That is the projection of how much water that they feel that Trinidad and Tobago produces. At this point in time, we use approximately or we abstract only 10 per cent of that water. So that is 80,000 million gallons a year. So I want to make that fact about the environment that you are talking about. We have as an environment, the reality that we have a bankrupt water authority and we also have a reality that we produce and there are lots of water in this country.

The fact is, Madam Speaker, is that desalinated water and the conceptual approach of us going into desalination and using desalinated water, we have always on this side maintained and said was wrong. The reality is, worldwide people use desalination water. It is a reality, people use it. But if you go to and you look at where people use desalination water, you do not find desalination water in the concept of the amount of water in environments like Trinidad and Tobago. Yes, you use desalination water when you are operating in the desert. Yes, you use it for industrial use but, in the concept and even when you have to use it for those purposes, they are not used in situations like what we have, because there is an alternative. There are alternatives under which you will be able to get water without having to take the water at that high price.

So, conceptually, if you read the *Hansard* since 1999 when this was introduced—this concept of desalination water was introduced—we were always saying, why are we going down there? Why do we not look at alternatives to what we could do or where, or how we could get water for the people of this country at a cheaper rate to them? And, therefore, we continue to go down that road.

What has made WASA's—because and I wanted the point, why I showed where WASA was as a company in the bankrupt state—position even worse in the

context of what I was talking about, you see the concept of desalinated water is something that the Members on that side seemed to have a fixation around. What was the nail in WASA's financial coffins? Right. In 2012, again, rather than looking, continuing to look for water in other places, and tap into other areas where we could have gotten cheap water or cheaper water, in 2012, the nail in the coffin that produced those types of financial results that we have is that we moved WASA water, we moved desalination water from 24 million gallons of water a day, we increased it to 40 million gallons of water a day. That is what we did. And, at that time, therefore, because when we talked about doing it at 24, at the time, the idea was well, okay, we could sell this water to industrial users.

Madam Speaker: Minister of Public Utilities. Hon. Members, it is now 4.30, we shall take the suspension now. This House now stands suspended. We shall resume at 5.00 p.m.

4.30 p.m.: *Sitting suspended.*

5.00 p.m.: *Sitting resumed.*

Madam Speaker: Minister of Public Utilities, you have 12 minutes and 20 seconds of ordinary time left. [*Desk thumping*]

Sen. The Hon. R. Le Hunte: Thank you very much, Madam Speaker. As I was saying, we are as we have seen, the points that I raised that WASA is a company with severe financial challenges, and as I was also making the point that Trinidad and Tobago is not a water scarce country. Traditionally, when you use desalination water it is normally used globally. Desalination is justified when countries are naturally water scarce which Trinidad and Tobago is not. And WASA's financial position, all with the fact that I make that point and it is challenging, and as we have seen, this Government continues to support WASA in

spite of its challenging situation by giving them the subvention, continuing to support and better utilize the staff that is there at WASA to help fix the problem. And I will dare say that they have responded tremendously when you look at the number of leaks that they are now doing on their own from in-house resources versus the things that were done that were contracted out before.

So we continue to support WASA and we continue to support the transformation of WASA, but that being said, part of the financial problem that WASA has found itself in is because of the fact that you are taking very expensive water, and conceptually we started by taking that water, 24 million gallons, and selling it to the industrial users. And, yes, although we could have found the water, it was not at a financial burden to the company. But in 2012 when we decided to increase the production of the water from 24 million gallons to 40 million gallons, and then add on another supplier of water, continuing that process of using expensive water and not exploring other sources then we continue to place the company in a financial derelict position because of the additional expenses that you place on the company.

The reality, as I said before, \$600 million goes towards paying desalination from a company where you are getting revenue of 750. The truth is when you look at the total cost, the total cost of what we had entered into, again, because we laid, again, conceptually was the wrong approach. The total cost of money that we paid for desalination water is in the vicinity of \$12 billion. Yes, we are able to get some revenue by selling it to the industrial users; we get 6.4. To the country overall, the total cost will be the vicinity, through the lifetime, the life cycle of these contracts, something in the vicinity of \$5.6 billion. By what we did in 2012 alone, the position taken in 2012 by increasing the production and also increasing the per unit

cost, albeit by three unit cents, but you are increasing the cost on all of the production.

We put additional burdens on the financial burdens of the company of \$180 million per year, plus another \$90 million in the other desal water; \$270 million a year is what we put burdens on the company. From 2012 to now we are talking about \$1.5 billion in additional expenditure, additional expenditure because you are producing water basically that you are now using for consumer use, not for industrial use. The total cost you are talking about close to \$4.5 billion to the end of the contract. That is the type of financial burden that we are putting on the company, and I make the point because we conceptually misread the solution that we should have done. And we continue along that road because, again, it was a wrong analysis that was done, and we continue because, again, during the time the concept of the Beetham reuse water treatment plant also came up where again we are trying to solve the problem by simply looking at increasing—there was a production-centric solution at a very high price so we decided this time to go to the reuse project, the Beetham reuse project, giving us 11 million gallons of water, but at what price?

If we had gone through with that project, if that project had gone all its way, the total revenue, the total cost to WASA today for water via desalination would have been \$780 million. I want to remind us that I said WASA's income is \$740 million, 105 per cent over their revenue. So you understand what making these decisions will have long-lasting implications to the company, but in the case of that reuse project, you know, it went even worse. It was worse because at least then you would have gotten some water.

In that particular project case we spent close to 1 billion to 1.2 billion and

we got not one drop of water. So WASA is where it is today because of wrong conceptualizing, wrong projects and also waste; \$1 billion went down the drain, \$1 billion. What does \$1 billion really mean? For \$1 billion we could have produced 80 million gallons of water—80 million gallons of water via surface and ground water and be in a position of increasing production by 80 million for that same \$1 billion, which by the way we got nothing for, nothing for. What is that \$1 billion? You hear people talk about metering and the country needs to be metered, that \$1 billion would have been able to meter all of the whole country and the whole domestic suppliers. All domestic suppliers would have been metered.

So sometimes I get passionate about this because I see the wanton waste that has happened and the decisions, the bad decisions that had been taken by the wastage of the moneys that when we had money and then the wrong decisions that were taken when we made those decisions by putting some severe financial burdens on the company when you could have had a lot cheaper alternatives. The cost of desalination water, Members of this House, is five times more; five times more than what you could have had for the next best alternative. And if it was that we could not, we did not have sources in this country where we could have find the alternatives, I said, “Okay, we need to give the people water”, but the reality is there were alternatives. We took those decisions and now the country has to pay the impact of wrong decisions taken, wrong decisions taken that continue to burden the authority. Again, if the reuse project had gone into place we would have been spending over \$780 million in expenses.

So that is the concept. Conceptually, it brings that into the idea of why we are here. Why do we have a desal bill of that amount to pay in the first place? Now, we have a contract and the contract is an airtight contract, and the contract

says that how you cannot—the project could only be stopped by mutually two people must agree if this contract needs to be broken, and this Government is one that honours its commitments under the contracts and we do have a contract for desalination water until 2037 so we are stocked with it. We have it and therefore we have to use it, but let us understand, when you want to ask about when there is expenditure or not, how did we get there in the first place?

But, Madam Speaker, the reality is, as my friend from—the Member for Caroni Central, the truth is, in spite of all of the money, in spite of all of the promises, in spite of the promises and the additional money, over \$2 billion in loans were borrowed, one from Citibank, I think it is, and one from Republic Bank, if I recall, 1.3 and a \$600 billion loan was spent during the period, all with a view of trying to say we would be getting 24/7 water. We heard the promises before since in the earlies, everybody, “Water for all”. The reality is we are here and only 50 per cent of this country, in spite of the fact that we are producing—

Madam Speaker: Minister of Public Utilities, your original time is now spent. You are entitled to 15 more minutes to wind up your contribution. You may proceed.

Sen. The Hon. R. Le Hunte: Thank you, and I will use it. The reality is, in spite of the fact that we produce so much water, 240 million gallons of water, we are still from a situation whereby only 50 per cent of this country gets water on a 24/7 basis, and that is in the wet season.

The reality is, in spite of all and everything else, and the billions of dollars that have been spent with WASA, and all the wastage on one side and the ill-conceived projects on the other side, the population continues to be without a vital supply, and therefore we have to fix it and that is what this Government is

going about doing in a systematic way and in a way that attempts to do more with less. You see, when you have a little bit of money, Madam Speaker, you get very creative with it, you know. You “doh” have money just to “blow” so you have to think. You have to use your God-given talents and therefore you have to tap into the places that if you do not know, where could you get the answers?

So over the last six months we have been tapping in with all the places, because, again, I do not want to spend another \$2 billion and promise the population with a plan that we are getting 24/7 water and again, as we are and as the population is seeing, we have not been able to get it. So I have been working closely with all of the people who would like to assist. Mainly, we have been working closely with a lot of consultants from the IFC, we have been working with consultants from the IDB, and they have been working with us in developing a comprehensive plan to deal with this situation once and for all. And whatever plan that we develop, we develop it in a concept whereby we could get some type of long-term financing with appropriate moratoriums that will allow for us to fix the problem once and for all.

I am pleased to say, Madam Speaker, that we do have a document, we do have a plan. We have a plan before us that we are working with WASA and we are working with the necessary institutions to be able to get things and to look at it and ensure that this time around when we decide that we are doing something, we are not just going to be wasting money. And based on the analysis that had been given to me, based on what it is that had been looked at and based on what has been provided, it would appear for a sum of somewhere in the vicinity of US \$300 million which is about \$2 billion, we should be in a position to provide the citizens with an adequate supply of water. When I looked at that figure and I

juxtapose that against the amount of money that was spent in other areas, the amount of money that was spent and not one drop of water was produced, I say, “Wow, that is really sad”. It is really sad what we did when we had money.

Our plan really, Madam Speaker, is very simple. If you are looking at problems you have to look at it from both sides. Water supply is a function, as we understand, of the relationship between production, leaks and consumption. Equilibrium, Economics 101; the equilibrium, it is about supply, it is the place where supply and demand is at equilibrium, and that is what we want, and therefore you cannot look at the problem from one side. When you look at the fact that as a country we produce 240 million gallons of water and you compare that production per capita with all of our neighbouring countries and all the other countries in the hemisphere, you recognize that per capita we produce a substantial amount of water per capita. And if you compare it with Jamaica and you compare it with other areas you realize that we are in a good place from a production standpoint.

We have certain areas—the problem with the water problem, the problem with the water situation in Trinidad, it is not from a production standpoint. The problem is from our ability to move the water around, the bottlenecks in the system. The problem that we also face and therefore the one that we have to find the solution, any solution will centre around over 99 imperial gallons of water that is considered NRW; 99 million gallons of water. So at the end of the day—and when I say, 99 million gallons, a lot of times I talk about NRW and people misconstrue that to believe that there is all this water that is happening as a result of WASA leaks. Well, NRW is a combination of two things. NRW is water that you are not getting revenue from. Based on the calculations and the information

provided by the IDB and all the numbers, the amount of real losses through leaks is just about 48 million gallons of water and therefore there is a further 49 million gallons of water that is lost in this country that you consider as a result of “over the fence line”; that is 49 million gallons of water. There are some people that have meters and they tell you that when they charge the existing meter rate, the existing meter rate, when you have meters their bill actually comes down in some cases, but I will assure you that that is a few cases.

In a number of cases, and that is what accounts for the 49 billion gallons of water, that in most cases \$49 million worth, 49 million gallons of water worth, it is that the rates that we are paying that people are using in excess of that amount and it is for simple reasons. It happens to you, it happens to me. We have a little leak. We do not fix it as fast as we want. We have a flusher that is not working properly. All of these things contribute to where we are. The reality is we lose close to, as I said, over 99 million gallons of water with the combination of the two factors. The monetary value of that is over \$500 million. And therefore as we talk about a permanent long-term holistic solution, which is what I am hoping for because I understand the pain of the people; I understand the need that water is life and I understand the need to ensure that we solve this problem, but we have to solve this problem in a cost-effective manner. And therefore the solution for this problem in dealing with it stems from bringing down that NRW from the 99, reducing it to 46 imperial gallons, increasing WASA’s revenue as a result of that. [Interruption] I am closing, I do not think I could—

Mr. Singh: I just want to get the figure, 46 million imperial gallons? Or what it is? You said 46 gallons?

Sen. The Hon. R. Le Hunte: No. Reducing NRW by 46 imperial gallons from

99 to 53 imperial gallons—46 million imperial gallons, sorry. Right? Sorry. All right?

Mr. Singh: Thank you, Minister.

Sen. The Hon. R. Le Hunte: Sorry, 46 million imperial gallons. And therefore, the solution centres around dealing with that aspect. If you continue, as you would figure it out yourself, if you continue to have a problem and you are pushing more water through porous pipes, you will only waste the water. So continuing to take money and putting into production of water, and in this case, putting it into the most expensive water in the world, it gives you an idea of escalating your loss.

So your solution needs to be geared towards NRW reduction. Your solution needs to be geared towards putting meters in every single household. Unfortunately, when you had \$1 billion, as I said, we could have done that. We could have done that. Today, that would have been something in the past and we would have been in a better place. However, we did not and therefore we need to spend another \$1 billion to be able to meter the country. And the combination of metering the country and the reduction of NRW will result in more water being given to the citizens of the country without having to increase your production. And if you do have in isolated areas to increase production, you go and you increase production via the cheap source, which is 20 per cent less than—not 20 per cent, 80 per cent cheaper than what it will cost you by doing it via desalination. So you do not go that route.

So, Madam Speaker, we do have a plan. We have a plan, we have the costing for a plan, we are in serious discussions right now with our technocrats to work out exactly how do we execute this plan. We do have a very cost-effective plan, and based on that plan, a plan that has been sanctioned not only by local

experts, but we have gone and get the best people around the world to look at our numbers, look at our situation.

And I heard the project that you talked about, Member for Caroni Central, it is called the Ravine Sable project, and that project from a water storage perspective that is a side benefit of the project. The big benefit for that Ravine Sable project is a help in the alleviation of the flooding in that particular area. And therefore I have looked at that project, it has two sides but, again, from a water storage perspective, it is not very effective—it is not cost-effective but when you look at it and the amount of money you will save or the country is a social benefit, it is something that I agree. It is something worth looking after, and therefore when we talk about a holistic plan and getting a certain amount of money and spending the money in a proper manner to fix the problem, that is where we are coming from because we are always, as we did with this particular building, as we did with the flyover, as we did with all the projects, it is not just about spending money, it is about doing it in an effective manner.

I am confident, and I make no apologies for bringing in experts. I make no apologies for having discussions because I think the people of Trinidad and Tobago require the best experts in the world to solve this problem because it is a critical problem. [*Desk thumping*] This is a problem that has plagued Trinidad and Tobago for far too long, and we, like we have done with every other industry, with every other major problem, when we face these problems in Trinidad and Tobago we are not about kicking it down the road, we are not about taking expensive solutions, we are about providing value for money. [*Desk thumping*] We are about doing what is right for the people of Trinidad and Tobago because we understand that at the end of the day we will continue to be in Government and the

expenses that we will incur, we will have to deal with it down the road. [*Desk thumping*]

So, Madam Speaker, we do have a plan, our plan centres around an NRW management and reduction. Our plan talks about increasing storage via looking at projects like the Ravine Sable project. Our plan talks about metering the country and reducing the consumption patterns. Our plan talks about public education, ensuring that people understand that we have our natural resources, we need to use them in a prudent manner. Our plan talks about comprehensively looking at WASA and understanding that the work needs to be done to help restructure WASA in the proper manner so that it could be able to provide the services, but in the meantime we continue to use the hard workers of WASA; we continue to support them—

Madam Speaker: Minister of Public Utilities, your speaking time is now spent. Member for Chaguanas West. [*Desk thumping*]

Mr. Ganga Singh (*Chaguanas West*): Thank you very much, Madam Speaker. Madam Speaker, when I listened to my good friend, the hon. Minister of Public Utilities, I said to myself, “He is the quintessential banker”. [*Desk thumping*] He will lend you an umbrella when the sun is shining and the minute it begins to rain, he will pull back the umbrella. [*Desk thumping*] You see, his whole contribution was premised on the concept of desalination is inappropriate for an island like Trinidad and Tobago. He agreed partially that the 24 million gallons, that it was good to utilize it for the industries in Point Lisas, but when it went further to 40 million gallons and then subsequently, an additional 5 million gallons, then he felt that it was conceptually wrong.

Now, Madam Speaker, the hon. Minister is suffering from a measure of newness, because now as the curfew tolls the end of this regime, [*Desk thumping*] five years, he is coming with a plan, a plan that is not really fully conceptualized, a plan that will allow for implementation and allocation, but the election is due in September. Where is your money coming from? But I will deal more with that because I want to deal first—he said when he listened to my colleague, the Member for Caroni Central, he wanted to know whether they live in the same country, that there is doom and gloom enunciated by my colleague, which I do not agree with that because I felt that his contribution was excellent and he was very pointed. [*Desk thumping*]

5.30 p.m.

Madam Speaker, he spoke about the debt crisis and that this is a place in which he looked through with rose-tinted glasses; everything is nice. McAL making big and massive profits. Massy making big profit. The banks are obscene in their profits. That is the kind of profit. But you see, he made no mention of the over 2,000 murders. He made no mention of over 63,000 people out of jobs. The President—and we do not bring the President into the debate—but at the opening, the highest office in this land said that the people are hurting. This is where the people are hurting: ArcelorMittal, shut down; Centrin, shut down; TMS International Corporation, shut down; Constructora OAS, GGI Trinidad Limited; Tourism Development Company; Caroni Green; GISL; UTT; TSTT; IPSL; TCL; RBC; Unilever, Petrotrin; a series, over 63,000 persons out of jobs, and you multiply that by five, and you are blind to that reality—blind to that reality.

It tells you that there is a disconnect [*Desk thumping*] between what the Minister—you know, we learn in Politics 101, your social being determines your

consciousness. [*Desk thumping*] So when you sit in the ivory tower of ministerial position, chauffeur driven and unconnected to the ground, that is the kind of concept and conclusion you come to.

The hon. Minister in his previous incarnation as a banker had no word to say that the Clico crisis in which we spent—in which we inherited a situation that the Government had already committed over \$5 billion to the Statutory Fund. The cost of that meltdown was \$24 billion. So on assumption of office by the Kamla Persad-Bissessar administration we inherited a situation where we were locked in the middle of—we had to borrow \$10 billion to set up the Clico Investment Fund to facilitate the repayment of investors who were living in fear of losing all their money.

Shortly thereafter we had to find another \$9 billion to provide additional support; no reference to that, but he speaks of \$31 billion glibly. So therefore, there is an erosion of cash flows.

So, Madam Speaker, when you look at what is happening you recognize that—and you know the hon. Minister took an approach where he made no reference to the HSF, the amount of moneys that were left in that. The foreign reserve was US \$11.5 billion. The HSF was US \$5.6. We moved it from 3.5 to 5.6. So we left a total of US \$17.1 billion. [*Desk thumping*]

So, Madam Speaker, the hon. Member made up—I do not know where he got the figure, because I recognized he had a problem with figures and that is why I sought to correct the whole question of the reduction. But he said that we had something like 8,000 million gallons of water available in this country. Where is this water available? Madam Speaker, I would tell you that I have been involved in this sector, I do not know where that figure is from. “Somebody fooling

somebody.” But you see, what is the fundamental problem is the question of credibility. The Minister said at length and repeated several times, the concept of desalination was wrong. The concept was wrong; there are other alternatives. But you noticed he did not provide an alternative; not one measure alternative. He talked about metering and so on, that does not help.

In the period 2010 to 2015, we did 1,385 projects throughout Trinidad and Tobago. [*Desk thumping*] Pipeline replacement, pipeline purchase. All that the Minister has opened over the last three years have been projects that we started and completed, [*Desk thumping*] not one new project—not one new project. We increased the water supply. We increased the availability of water to 72 per cent, now there is a reduction to 50 per cent. So the Minister has a credibility problem, because I will demonstrate.

He says it is wrong to use desalination. But, Madam Speaker, I want to make reference to an article dated 2016:

“43 Firms to Build Tobago’s Desal Plant.”

And I read the article:

“A total of 43 local and foreign companies have expressed an interest to build and operate Tobago’s first million-dollar desalination plant at the Cove Industrial Estate.

So said Water and Sewerage...chairman, Romney Thomas, yesterday. Of the 43, Thomas added, many were local firms while several came from North America and Europe.

Earlier this year, WASA invited expressions of interest to build and operate the plant at mushrooming Cove Industrial Estate at Canoe Bay.”

And they go on to say:

“In March, Prime Minister...Keith Rowley agreed that WASA, as a matter of urgency, would build a desalination facility to provide a sustained water supply for Tobago.”

What credibility does the Minister bring to this House? Because he said we on this side would never agree to that concept. So the credibility is simply not there. [*Desk thumping*] I would not spend much time on that. But you see, that is what it is. So that is the first untruth that that side does not subscribe to the concept of desalination.

The second untruth said this evening is a partial untruth: that we entered into the arrangement with Seven Seas in 2012. Madam Speaker, when we entered office in 2010 there was an MOU, a memorandum of arrangement with Seven Seas and a framework agreement. They built the plant. It is a build-own-operate-transfer approach. So the private sector invested the money, and the State took the water on a water purchase agreement. So it was trump and follow suit. They were on the track entered into in 2009 by the Manning administration in the face of the massive drought and dry season in this country.

But the hon. Minister comes here to say that they added burden onto the population. So he was willing to tell the people that they should not get water. These are the areas that the Seven Seas plant serves. Approximately 29,000 persons in south-west Trinidad between Point Fortin, La Brea, including Mahaica, Clifton Hill, New Lands, Fanny Village, Egypt Village, Reservoir Hill, Harriman Parks, Salazar Trace, Cap-de-Ville, Gonzales, Parry Lands, Lot 10, Cochrane, Vance River, Vessigny, Sobo and La Brea. That is within the constituency of my colleague, the Member for La Brea, his colleague. Without this they would not receive water 24/7—and Point Fortin also would not receive that. So that

therefore, the date and the timeline he got wrong.

The third untruth told to this House today is when the hon. Minister indicated that this Government increased the Desalcott from 24 million gallons, which he agreed upon, that was conceptually right, to 40 million gallons. Madam Speaker, for those of us who have some measure of memory, you will recall in 2009 and 2010 there was a significant dry season. At that time the then Prime Minister said he would build five desal plants, one in Tobago, one in Mayaro, one in Moruga, one down in La Brea; five different areas, five desal plants, Chaguaramas one too—five. Simultaneously they then entered into a memorandum of understanding, subsequently a framework agreement with Desalcott to expand it to 40 million gallons and in the long-term to 60 million gallons. That is what the Manning administration entered into. [*Desk thumping*] And we confined it to 40 because it was already legal. We did not want a long-term arrangement because we felt that was going to encumber and put all our eggs in one basket. Therefore, eventually with the Labidco Estate emerging that you would have that mushrooming there.

But this misconception and untruth of the facts of the situation is compounded by the fact that the hon. Minister is being ill advised. Because you see, in a study which subsequently became the policy of the Manning administration, and subsequently the People's Partnership administration, under the Ministry of Planning, a Water Resources Management Strategy for Trinidad and Tobago, Final Report, main report, December 1999, by DHV Consultants in association with Delft Hydraulics and Lee Young and Partners.

You speak glibly about world experts. These experts are the best in their field worldwide, and they did a study, and that study gave us five options. The

shortest option was (d), “minimum government investment”. This strategy aims to minimize Government spending and helps—will include the relatively inexpensive measures. And then they deal with the whole question of minimum implementation time.

I do not know where the Minister was. I do not think he was in Ghana at the time; he certainly was not in Trinidad. But there existed in this country serious water shortage. It is crystalized in calypso where Rudder said with respect to Hulsie Bhagan, “bottom on the road”. It was around this time of the year, Carnival time, because of the water shortage in central Trinidad.

There existed on the map, when they drew a map of Trinidad, that the whole south and central area was parched dry, if you use a colour scheme. So you had to have minimum time for implementation, minimum Government investment, and that is why desalination came about. So it is a build-own-operate-transfer, a BOOT. So there was no investment on the part of the State except for the water purchase agreement, which was agreed at 70 cents per cubic metre of water at the time. Then you had an institutional mechanism of the coordinating committee that is supposed to review the pricing and keep the pricing down in the context of technological change. The Minister says nothing about that, only complains about the fact that you have that.

The question I have to ask is: What measures have you taken since getting off it? [*Desk thumping*] What measures? I can point 1,385 projects in a five-year period at a cost, line by line, item by item, constituency by constituency throughout Trinidad and Tobago. What can you point to? Your point is that you complain. You complain about your inheritance, you complain about the fact that this is WASA revenue stream, this is WASA expenditure. It has always been like that.

I can go back to a speech I made in 1999. I can go back to 2010. Madam Speaker, I can tell you when we looked at that, that the Manning administration not only brought Severn Trent to this country, private sector participation, that subsequently they were going to bring the Israelis in 2010. All you did was to bring the Korean company Haji Construction who built the desal plant in La Lune that never functioned—never, never, never. [*Desk thumping*] Now it is gutted, never—Haji Construction.

Dr. Francis: Member, are you willing to give way?

Mr. G. Singh: Sure.

Dr. Francis: That is patently incorrect. In fact, that desal plant functioned for a number of years. It was actually gutted in 2010 when you all came into power.

Mr. G. Singh: Now, you see, lack of knowledge is a hell of a thing. [*Desk thumping and laughter*] The desal plant never functioned because the water intake was too close to the tide so they got sand into the system and “mash up de whole plant”, and then Haji left the country. [*Desk thumping*]

Dr. Francis: Member, I live in Moruga.

Mr. G. Singh: Madam Speaker, so that is the reality. That is the only one that they built. That is the only one that they built and “dey mash up”.

So when you look at the concept, you have to go back. The concept came about to solve a problem in the short-term, but to give the country the opportunity to build a major dam. The last dam was built in 1981; that is the Arena Dam. All the rest of dams are our colonial inheritance. The Hollis, the Navet, the Richmond, those are all our colonial inheritance. We built one for the years of independence in 1981. The idea being to give us the time to do the environmental analysis, to collect—look, I know the water is in the north-east.

The Marianne River—you have to get creative. The Marianne River represents significant high quality water with significant volume, and the analysis was done. The analysis and works started in capping the Ravine Sable/Mamoral area, with a view to providing water, not only potable water for the community but also water for irrigation purposes. But nothing—we started that. Royal Haskoning did the study and started to do the analysis for there. You have done nothing! [*Desk thumping*] And you talk about all of government holistic approach. Twenty-one dam retention ponds that the Royal Haskoning report study says, “Build it there and allow for the flow into the Caroni when out of the flood season”. An investment of \$5 billion over a 10-year period—nothing, nothing. The report—lest you think, the report was presented to us in December of 2014. So that is what I can tell you. This is January of 2020. “Yuh cyah geh nutting done.” [*Desk thumping*]

When the public servants look at you now they would say—I would not use that word—“Well, I am here, you are there”. “When you gone I will still be here.” That approach is what you have, so you are basically lame duck in this period. [*Desk thumping*] So you cannot come and bring plans now for implementation. It does not work that way. Take the benefit of my experience.

So, Madam Speaker, we have to solve this problem in this society. It is one of the regrets, tangible regrets, that you know what is the fundamental problem? In 1999 when we were dealing with this, Eric Williams, not Dr. Eric Williams, Eric Williams who was the Member for Port of Spain South said the problem was to replace the pipelines. So you build your water supply, you increase production and you begin the process of changing out all the major leaking pipelines. That is why we did 1,385 projects. That is why we changed the colonial pipeline from Navet to

St. Clement's in San Fernando. That is why we changed the pipeline on the Corridor from the Hollis Reservoir to Port of Spain.

But a study was done by local people, by Steve Joseph and his crew, in which they mapped all the major—they took all the leaks, they analysed it and they mapped what pipelines were for replacement: asbestos, the clay pipes and so on, major transmission. But you know what was the response of this administration? “Take your best and your brightest, suspend them and keep them away from doing the work required.” So therefore, you have these people. Consultants would take that same work and recycle it for you and you would pay millions of dollars. But Steve Joseph and his team did that analysis, and on the basis of that you were able to begin a coherent programme of transmission and pipeline replacement. That is why we moved it from 18 per cent, 24/7 to 72 per cent by December 2015—24/7. And now under your watch it has reverted to 50 per cent because you acknowledged that. It has reverted.

Madam Speaker, what is required? When you complain about WASA you must recognize that what we have been doing is not capital expenditure. In 1995 they threw up their hands and they brought in Severn Trent. Mr. Manning is on record as saying WASA is a bigger headache than Caroni. [*Interruption*] Yes, a \$27 billion headache. So you know you have to make the investment. You have to do the things you say you have to do. Not in the sequence you say you have to do it, but you have to do all those things. But the key is to make the proper investment. We invested \$1.9 billion over that five-year period, and in capital projects.

The recurrent expenditure and everything else, but we utilized local people. WASA workers now, when you go to talk to them, “dey” telling you that the

Caroni plant is utterly dysfunctional. That the water treatment there is not working to capacity. They tell you that only the spares that were left over from the People's Partnership are being utilized, and when those "spare parts done, ting done". They would tell you how they are recycling things in order to cure leaks. The road restoration programme is over. So you have fundamental problems, but who really suffers at the end of it is the customer.

When you say that metering will solve the problem, you fail to realize that with the scheduling people store hundreds and thousands of gallons of water in order to buffer the scheduled period. So you have four or five tanks so when the water does not come, you still have an area to buffer. So the problem is that it affects everybody. It does not affect you in the context of your politics, and that is why when we said "Water for all", it was a universal objective. It is egalitarian in approach. It meant that it was a galvanizing objective for the enterprise called "WASA", [*Desk thumping*] because it was reactive all the time—reactive all the time.

So we are looking at the hydrological cycle. We know now that with climate change it impacts upon the hydrological cycle. There are variables, that if you build dams, water may not fall in that area, so you have to have this long projection. What are the options available? What can we do to galvanize? You produce 240 million gallons—Madam Speaker, groundwater has to have a mix. Surface water, groundwater meaning the wells water—surface water, and you have to have the desalination as a buffer. But you also need to ensure the education. So the engineering has to take place. Economics, value for money has to take place. Education has to take place. The whole question of enforcement also has to take place.

If you cannot disconnect people—there are areas in Trinidad where you cannot go and disconnect people. You cannot, so that they get free water. In order to collect money in Tobago you have to send Trinidadians to collect revenue in Tobago, because you know why? Because everybody knows everybody in a small society and you get a “bligh”. So these are the challenges: cultural, sociological that you have, but we must be able. This is a small island. I cannot see why we cannot provide water. Make the investment. You have not made the investment. You have not as a government made the investment in the sector.

In 1995 it was Severn Trent. In 2010 it was a consortium of Israelis, Mekorot and Merhav that was going to take over WASA with assistance from captains of industry and the banking sector, which the Member is very familiar with—the banking sector, three principal players. When the matter came up for arbitration, a former chairman of WASA, Shafeek Sultan-Khan, went and gave evidence for the Israelis. I always say, you know, when you make a deal with the Israelis, especially the Israelis that made that deal who were linked to the Mossad, you better follow through, and swear to God, Shafeek Sultan-Khan followed through.

Madam Speaker, these are the realities of the environment we deal with. It is something that we need to solve as a country. This not about blame allocation. This is not about 20 years after, looking back and coming with half-truths and untruths to try and provide a case for blame allocation. This is a problem we should solve in this country by the measures that we take for the benefit of the people of Trinidad and Tobago. And then we can say with resonance there will be water for all.

I thank you, Madam Speaker.

Ms. Ramona Ramdial: (*Couva North*): Thank you very much, Madam Speaker, for the opportunity to present on this Bill on the appropriation of the sum—
[*Crosstalk*]

Madam Speaker: I am sure you are free to join the debate and will be provided the opportunity at the right time.

Ms. R. Ramdial: Thank you, Madam Speaker. Thank you very much again for the opportunity to present and give contributions on this Bill of variation.

Just under the Head of Expenditure under the Ministry of Finance, the amount being increased is \$255,369,874. That amount comes from the Ministry of Public Utilities, and this is what we are here today to debate as part of this Bill. In addition to that we have also approved earlier on, write-offs from various Ministries and also transfers.

6.00 p.m.

And the amount in transfers that has been approved is 1,310,000,000 between Sub-Heads under the same Heads of Expenditure for fiscal year 2019. So all of these actions were approved today here, Madam Speaker, and my colleague, the Member of Parliament for Chaguanas West just dealt with the Minister of Public Utilities and the misleading contribution that the Minister would have given earlier and, of course, he made some recommendations.

And, Madam Speaker, I must say that a lot really that was said was due to the history and experience from the Member for Chaguanas West and in his different incarnations of the Minister of Public Utilities under past administrations, so he was able to give a clear history and a historical evolution of where we are now, and why we are here.

And he was right about one thing, Madam Speaker, is that this Rowley administration has done little or nothing for the past five years when it comes to

national development. [*Desk thumping*] And national development is not only about restoring historical buildings, and I am very happy to be back in the home of democracy, but it is also about development that affects people, people-centred development, and that is what is most important, and I think they have failed on that arm.

Madam Speaker, I want to make reference to the Ministry of Rural Development and Local Government with respect to transfers, and under this particular Head there is an allocation of 25,792,985 for Transfers, and of course, the reasons for the transfer are as follows.

Now, first of all, Madam Speaker, these transfers and what I am seeing under here, for example, to procure ammunition for use in the training of municipal officers, 155,998. And I just want to get clarification when the Minister of Finance is winding up whether or not this allocation is for the 400 municipal officers, because I am seeing lower down, a further allocation of 6.1 million to enable training again. So procurement of ammunition, what I need to find out there, Madam Speaker, on behalf of the people is that, is this for all of the corporations, and for how many officers would this procurement of ammunition cover at the cost of \$155,998? So how many officers does this cover?

Secondly, Madam Speaker, purchase of equipment to outfit the municipal police officers at the Diego Martin Regional Corporation, and I am seeing a sum of \$275,973. Again, I am asking, how many officers at the Diego Martin Regional Corporation does this cover? So these are the clarifications that we need with respect to the transfers.

As we move along, there is another transfer that goes to the General Administration, 1.5 million for salaries and cost of living allowances to

monthly-paid officers. My question, Madam Speaker, how many monthly-paid officers would this cover? And we are also seeing a further 3.5 million to facilitate salaries and cost of living allowance to contract staff at the Ministry. My question again, Madam Speaker, would be, how many contract staff officers? Are they all existing or are they new and additional officers that are going to be brought on under contract for this 3.5 million? I go back to the 6.1 million for the training of 400 municipal officers. Again, Madam Speaker, the training of these officers is at a cost of 6.1. Who is going to be training?

And as we move along we have also transfers allocated to facilitate payment of staff at various corporations. And this is very, very significant, Madam Speaker, and it also begs the question as to—as I go along and I identify the regional corporations I will have further questions to ask. So let us go first.

Wages and cost of living allowance to daily-rated employees of the Port of Spain City Corporation at a cost of \$3.4 million. My question, Madam Speaker, are these for new employees or for existing?—3.4 million for wages and cost of living allowance to daily-rated employees, and this is very important as we need to know this.

We go on. For the Arima Borough Corporation, 2.3 million has been allocated, again, for salaries and cost of living to additional municipal officers at the Arima Borough Corporation. So I will infer, Madam Speaker, when you say “additional” is that we are going to have new officers being placed at the Arima Borough and that number would, of course, be comparable to the amount being allocated. So my question is, how many municipal officers are going to be placed at the Arima Borough Corporation at the cost of 2.3 million? How many additional?

As we move along, Madam Speaker, we move to the Point Fortin Borough Corporation. Again, a further allocation of 2.8 million for additional municipal police officers. My question again, Madam Speaker, is how many additional municipal officers to be allocated at the cost of 2.8 million?

Madam Speaker, as we move along, we move to the Diego Martin Regional Corporation where there is an allocation for 3.4 million for daily-rated employees. My question again, Madam Speaker, would be, are these for new daily-rated employees or existing daily-rated employees?

Mr. Deyalsingh: Madam Speaker, respectfully, we are debating the Report of the Standing Finance Committee—

Ms. R. Ramdial: Yes.

Mr. Deyalsingh:—to put money in public utilities. The hon. Member is about local government, 48(1), please.

Ms. R. Ramdial: No. But it is included in the report—

Mr. Deyalsingh: 48(1).

Ms. R. Ramdial: It is transfers.

Madam Speaker: Member, in terms of the report, these are matters that are covered in the report for noting, and therefore, I rule that the Member is entitled to ask questions on these. Please, continue.

Ms. R. Ramdial: Thank you very much, Madam Speaker. So let me go. Diego Martin Regional Corporation, again, an allocation of 3.4 million for daily-rated employees. My question, Madam Speaker, are these for new employees or existing employees at this cost? And I want to make reference to not too long ago and I need to ask: Does this sum cover the illegal hiring of 300 employees and more at the Diego Martin Regional Corporation which took place in 2016?—where up to

this day we have not had any conclusion in that investigation, and what is happening there. So my question is, these workers, obviously, are still working as labourers at the Diego Martin Regional Corporation, and is it that this 3.4 million accommodates for the illegal hiring of these 300-plus workers at the Diego Martin Regional Corporation? So the Minister needs to clarify.

So we move on also, Madam Speaker, to the San Juan/Laventille Regional Corporation where you have an allocation of 1.3 million for daily-rated employees at the San Juan/Laventille Regional Corporation. Again, my question: Are these for new employees or existing employees?

Siparia Regional Corporation, the same question, an allocation of .5 million, much lower than the other PNM-held corporations. And I will still ask the question: Are these allocations for existing workers or new workers to these respective corporations?

And then we have an additional transfer of 182,000 for the Caribbean Association of Local Government Authorities. But, Madam Speaker, what is even surprising for me as I went through this, the reason for savings, and I just want to quote. The reason for savings under the Ministry of Rural Development and Local Government, CEPEP falls under this particular Ministry. And it is being cited here that the Community-Based Environmental Protection and Enhancement Programme CEPEP was managed more efficiently realizing savings of 22 million.

Madam Speaker, we all know for a fact that from 2015 to present time there has been a reduction in the number of teams allocated under the CEPEP programme. I can tell you for the constituency of Couva North there is just one CEPEP team operating, and no matter how many requests I make for additional teams— and that is a PNM-party group by the way— and no matter how many

additional letters of requests I send to get the required amount of teams to service the constituency of Couva North, it has been struck down. So saying that you have saved 22 million is really misleading because you have, in fact, reduced the number of teams so you do not have that additional expenditure.

So, again, Madam Speaker, I also want reference with respect to savings, administrative delays experienced under local roads and street signage programme results in savings of 1.7 million. Madam Speaker, what does that mean?—“administrative delays”, because I know in local government a council sits, they make recommendations, it is approved and then it is up to the respective administrative arm of that corporation to send the request. Again, I can make reference to CTTRC that falls under our region there in Couva where I know for a fact that requests were made in a timely manner, letters were sent in, councillors did their due diligence, whatever they had to do. I also know for a fact that requests were made for local roads and street signage. So to cite “administrative delays”, I think, it is very blasé. We need to be a little more specific in terms of where these delays emanated and under which corporation it emanated or it came out of to understand. So I really would not term this as savings. Again, it is just a matter of the requests not being or not being able to make it to the Ministry for it to be implemented.

Now, what I have a serious problem with, Madam Speaker, is this issue here under savings. Savings were realized under the Bailey bridges project as the Ministry had an adequate supply and incurred no further expenditure under the project for 2019, and it cites \$500,000 in savings.

Madam Speaker, I really want to get into this because for the past five years, every fiscal year, if it is not the Minister’s office, it is my councillor’s or the

chairman of the respective corporation making contact with my office asking to identify certain projects under local government that can be implemented for the new fiscal year so that it can be budgeted for.

Madam Speaker, every year for the past five years, and I do not speak for myself, I speak also for my colleagues, we would have requested bridges under local government for which they are responsible and to see here a savings of .5 million, something is totally wrong here. Madam Speaker, in my constituency alone I have been requesting the reconstruction of two bridges. Requesting Bailey bridges for two bridge, one in an area called Ragoonanan Road West, another in an area called Carli Bay in Couva, the request for Bailey bridges; and only to be shown here via this reasoning that there was a savings of 500,000. So what is really going on here? Is it that the communication between the corporation to the Ministry, to the Minister of Finance is not happening? Is this what I am to infer?

Mr. Indarsingh: Laventille West said there is no—

Ms. R. Ramdial: For four years, five years we have been requesting Bailey bridges and only to be given this reasoning here.

So, Madam Speaker, I really would not say that these are savings, I would really say it is just a reasoning on paper so that funds can be vired to the Ministry of Finance and to justify giving these corporations the increases for employment.

So, Madam Speaker, those are my issues that I wanted to flag under the Ministry of Rural Development and Local Government, but there are so many other issues under local government where I think that these moneys could have been better spent. I think if it is that the Minister confirms that these allocations for the respective corporations are for new employees, well, Madam Speaker, I have a problem with that because these are moneys that can be allocated to get new

infrastructure to put into communities to develop the lives of our citizenry.

So if it is you are telling me that you are allocating \$2.3 million to hire new workers at the Diego Martin Regional Corporation and at the Arima Borough Corporation, to what value, for what value?—because at the end of the day I can tell you that in certain corporations you do not need additional municipal officers.

I spoke to my councillors at CTTRC, others at Chaguanas Borough and elsewhere, and they are saying that there is an adequate supply of municipal officers. Some are saying, they need additional, yes, but I do not see it being identified under the corporation, so is this some form of discrimination? Is it that at the end of the day, the UNC-held corporations, even though there are vire needs for increased municipal officers, they are just being sidelined to put the officers elsewhere in the PNM-held corporations?—because this what is happening. I can tell you that CTTRC we need more municipal officers. Why CTTRC has not been identified here? Can you explain, Laventille West?—but you want to comment.

So, Madam Speaker, these are my concerns at the end of the day, and I think that it is an election year and we are going to see a lot of tricks like this being played off, but I really wait to hear the Minister of Finance answer my questions. I thank you. [*Desk thumping*]

Madam Speaker: Minister of Finance.

The Minister of Finance (Hon. Colm Imbert): Thank you very much, Madam Speaker. Madam Speaker, let me just deal with an issue raised by the Member for Caroni Central who alleged that this Government had provided no financing for the Children's Life Fund over the 2015—2020 period. I am advised that we have put into that life fund \$34 million over the last four years, Madam Speaker. [*Desk thumping*] Let me repeat that. By way of budgetary appropriations we have put

\$34 million into the Children's Life Fund. This is what I have been advised by the Ministry of Health. I am also advised that this has assisted 133 children who were at risk. So that puts paid to that bit of mischief put into the system, misinformation from the Member for Caroni Central.

Madam Speaker, the contribution of the last Member was wholly irrelevant, wholly irrelevant. The matter before the House is to take—

Madam Speaker: Minister of Finance—

Hon. C. Imbert: Yes, Madam Speaker.

Madam Speaker: I am certain you do not mean that. I have ruled on that and allowed it. Please, continue.

Hon. C. Imbert: Thank you, Madam Speaker, in my opinion. [*Interruption*] I am certainly not in charge of this House. I am not in charge of this House. [*Crosstalk*]

Madam Speaker: One minute, please. Minister of Finance, I will agree that I have some hearing challenges in here, but as I said, I have ruled and I hope that you do not intend to challenge that by your, you know, sotto voce comments. So, please, just withdraw that and continue. Just remember I have ruled that the contribution was relevant.

Hon. C. Imbert: Yes, Madam Speaker, it was not a sotto voce statement. It was a statement that I said which I withdraw. I did not say it under my breath at all. So, Madam Speaker— [*Crosstalk*] I withdraw.

Madam Speaker: As I say, I am having some hearing challenges in here. Okay? So that if you could just withdraw without any further condition and continue on a new thread. Thank you.

Hon. C. Imbert: Most certainly, Madam Speaker. I withdraw entirely, absolutely. Now, Madam Speaker, the matter [*Desk thumping*] before the House today is to

deal with the Report of the Standing Finance Committee of this House which met this morning. Throughout the contribution of the Member for Couva North, the Member for Couva North told this House and the listening public that we were taking money from here, there and everywhere to send it to the Ministry of Finance. But in the Member's contribution what the Member was referring to was transfers within Heads which is the prerogative of Ministers and the Minister of Finance. As I indicated, transfers within Heads have been delegated to the Minister of Finance since 1988.

None of the transfers within Heads referred to in the Report of the Standing Finance Committee have any bearing whatsoever on the variation of appropriation where we are taking \$255 million from the Ministry of Public Utilities being a reduction in debt service payments for T&TEC and a reduction in debt service payments or a reduction in payments for Desalcott in WASA, that makes up the \$255 million which we are varying, we are taking that from the appropriation, the original appropriation for the Ministry of Public Utilities and we are placing it into the Ministry of Finance to deal with interest payments on the overdraft at the Central Bank, that is what this variation of appropriation is all about.

None of these transfers, Ministry of Rural Development and Local Government, municipal police, "coteci-cotela" have anything to do with the variation [*Desk thumping*] of 255 million being reducing the Head of the Ministry of Public Utilities and increasing the Head in the Ministry of Finance. Madam Speaker, I just want to make that clear. So it is impossible, absolutely impossible for us to be in this Parliament today taking from here, there and everywhere—

Madam Speaker: Now, again, I know we are in a new environment. Before the challenge was that the ceiling was too low. Now the challenge is that the ceiling is

very high. Okay? And therefore, we really have to stick with the Standing Orders or else the cacophony will drown out every sense of what we are doing here. Minister of Finance.

Hon. C. Imbert: Thank you very much, Madam Speaker. Let me reiterate that the matter before this House is that we:

“...adopt the Report of the Standing Finance Committee of the House of Representatives for the Fifth Session (2019/2020), Eleventh Parliament on the consideration of proposals for the Variation of Appropriation for the fiscal year 2019.”

And the variation of appropriation, I will say, again, has to do with reducing the Head associated with the Ministry of Public Utilities in the amount of \$255,369,874 by way of a savings in payment of principal on a fixed-rate bond for T&TEC in the amount of \$1,133,482, and a savings in terms of an allocation for the Water and Sewerage Authority for desalinated water in the amount of \$254,236,392. So that is part of the variation. We are reducing the Head Ministry of Public Utilities, and then we are increasing the Head Ministry of Finance.

So we are reducing Head 39 by way of a variation, and we are increasing Head 18 Ministry of Finance by way of a variation in the same amount. The net effect is nil. Everything else in here, Madam Speaker, is for noting and therefore, it is just wrong of the Member opposite to say that we have come to this Parliament today to take money away from local government, to take money that was appropriated for municipal police and put it here, there and everywhere especially into the Ministry of Finance. That is just wrong. That is misleading this House and misleading the public of Trinidad and Tobago. All we are about today is a very simple adjustment, savings in the public utilities transferred to finance;

that is it.

Now, Madam Speaker, the Member for Caroni Central as is his wont—you know, Madam Speaker, deceased hon. Ken Valley used to make a point that when something is discounted by the marketplace it is a waste of time trying to revive it. It is a fact, the population understands that the last Government bankrupted the Treasury. That is a fact. [*Desk thumping*] That is understood and appreciated by all 1.3 million citizens of this beloved country.

Hon. Member: All of them.

Hon. C. Imbert: Everybody in this country knows—

Hon. Member: All.

Hon. C. Imbert:—that the last administration including them bankrupted the Treasury. Everyone knows, Madam Speaker—

Mr. Hinds: Jwala told you so three days later.

Hon. C. Imbert:—everybody knows, Madam Speaker.

Mr. Hinds: Jwala told you.

Hon. C. Imbert: Everybody knows that the Current Account, [*Crosstalk*] the Government's Current Account at the Central Bank was \$6.5 million in credit in May of 2010. Everybody knows that. It is a matter of public record. And despite the financial crisis, the global financial crisis of 2008/2009 where you saw oil prices drop from over \$140 a barrel down to \$35 a barrel, and gas prices dropped from \$13 a barrel way down to \$4 and \$3 a barrel. Despite that, the last PNM administration left the Government's Current Account in credit to the tune of TT \$6.5 billion. So the Current Account, do not mix it up with the Exchequer Account, the Current Account which is the account where you get cash balances.

The way our financial system works, Madam Speaker, the way our financial

system works, you have an exchequer one and exchequer two, and I notice people opposite they like to get it mixed up or maybe they do not understand, I do not know what it is, but the fact of the matter is that we run our business on a cash basis in this country, on a cash basis. There is an overdraft facility that is regulated by law, and the overdraft facility is used to allow the Government to get temporary advances in periods where cash flow is low.

And let me reiterate, at the end of a quarter you get a petroleum profit tax, you get corporation tax, you get personal income tax and so at the end of a quarter, but there are lean months in between. For example, December is the end of a quarter, but January and February are difficult months because you do not get corporation tax coming in. So the revenue that comes into the Government, January and February, and then March is an end of quarter, again, you end up in problems in April/May, June is an end of a quarter and so on. In those lean months, the purpose of the overdraft was to allow the Government to get cash advances to carry it through until you get to the end of the quarter when you get a big injection of cash again.

That Current Account, that overdraft facility was not utilized by any Government until the Government opposite in 2012 took the Government's Current Account from a positive 6.5 billion in May 2010 to zero in 2012, and then took it up to minus 9 billion in 2015. That is a matter of fact, Madam Speaker.

Hon. Member: Maxed out.

Hon. C. Imbert: They destroyed \$15 billion of credit available to the Government, they spent out the whole 15 billion, minus 6.5—plus 6.5 to minus nine; those are facts, indisputable facts.

The other thing they did, Madam Speaker, they took \$14 billion out of the

NGC's bank account, 1-4, \$14 billion. [*Crosstalk*] The NGC was always a cushion, it was always a cushion for government expenditure. [*Crosstalk*] They took \$15½ billion out of the overdraft, over \$14 billion out of NGC. That is \$30 billion, Madam Speaker, 3-0.

And at the end of all of that after they sucked out \$30 billion, we came into office, within one week I got a visit from the then Governor of the Central Bank who told me that he is going to turn off the tap in two days. I said, “What do you mean by ‘turn off the tap’”? And this means—this needs repeating—I asked the gentleman, “What you do you mean by you are going to ‘turn off the tap in two days’”? He said, “Well your overdraft facility is maxed out. You have enough money to run this country for two days, you better go and borrow some money quick”, and we had to hustle, we had to go and hustle, Madam Speaker, hustle and go and borrow \$1 billion right away just to be able to pay salaries in that month, Madam Speaker.

6.30 p.m.

Those are the facts, and the Members opposite could say what they want, but the country has accepted these facts. The other fact that the country has accepted, Madam Speaker, that the revenue from petroleum in 2014 was \$20 billion, and the revenue from petroleum in 2016 was \$500 billion, that we lost virtually \$20 billion in revenue, annual revenue, when you compare 2014 to 2016. So, what were we faced with? These are facts that the market has accepted, so it does not matter how many times the Member for Caroni Central comes into this House and tries to pretend that it was not so, the market has already accepted that. [*Interruption*] Madam Speaker, I am speaking to you. I am speaking to you. I recognize you.

Mr. Charles: So you do not want to—[*Crosstalk*]

Madam Speaker: You know we do things in a particular way. Minister of Finance.

Hon. C. Imbert: Thank you so much, Madam Speaker. So the country has accepted the fact that they sucked \$30 billion out in cash from the country's resources during their period, 3-0. That is in addition to the \$30 billion they borrowed, eh. That is \$60 billion when you add it all up; \$30 billion they sucked out. And then, Madam Speaker, after they do that, no more money left with NGC, Government overdraft maxed out, then they give us a \$5 billion gift, back pay that they gifted to us. They went into wage negotiations in 2014, "dey eh pay people the back pay". They leave that for the incoming Government. That is a next five. They borrowed 30, \$5 billion in back pay, \$30 billion sucked out of NGC, and the Government overdraft. What is that?—\$65 billion gone. And then we are faced with a \$20 billion drop in revenue. A \$20 billion drop in revenue, and yet we have managed to run this country successfully for the last four years. [*Desk thumping*]

They could say what they want. They could say what they want. "Dey cyah beat us on economics, Madam Speaker. Dey cyah beat us on economics." [*Desk thumping*] They could jump high and jump low. They could jump high and jump low, the country knows the very difficult path we have had to walk over the last four years. They know the bed of thorns that they gave us, and they know how successful this Government has been coming out of that, and it is a team effort. [*Desk thumping*] It is a team effort. While we in the Ministry of Finance on the one hand seek to balance expenditure, reduce unnecessary expenditure, cut out waste and mismanagement, and also try to access additional new sources of revenue. While we were doing that, other members of the Government, most notably the Prime Minister, were out negotiating with the international oil and gas companies to bring additional revenue into this country, resulting in 2019, the year

that we are closing accounts for—[*Crosstalk*]

Madam Speaker: Okay, so I know it is quite usual for when the Minister of Finance speaks, for the whole House to become very animated, but I would like to hear him. Okay? So I would ask Members to comply with Standing Order 53. And for those who want to make an interruption, then they will do it in the proper way. Minister of Finance.

Hon. C. Imbert: Thank you very much, Madam Speaker. So while we in finance were exercising fiscal discipline and seeking to increase revenue, for example, with the innovative use of royalty as opposed to petroleum profits, in doubling the royalty revenue to the Government in the period, it is doubled.

If one does an analysis, in fact I was told by the transparency—not transparency, Extractive Industries Institute, they have actually done research on the increase in royalty revenue to the State of Trinidad and Tobago since this Government came in, by our measures and our moves within the energy sector. While we are doing that in finance, as I said the hon. Prime Minister, aided and assisted by an able team, the Minister of Energy and Energy Industries, the Minister of National Security, and so on, was able to bring substantial additional revenue into this country, resulting in a payment in fiscal 2019 from Shell of almost \$2 billion in additional revenue. [*Desk thumping*] Two billion dollars. Nothing to sneeze at, Madam Speaker. And going forward an additional \$1 billion per year because of renegotiated terms in terms of profit sharing from extraction of our oil and gas resources.

And while all of that is going on, other Ministers like the Minister of Works and Transport was able to reduce the cost of construction. Let us take the Curepe flyover as an example, where under the previous administration said it was going

to cost \$500 million; under this Government it is costing just over \$200 million, [*Desk thumping*] and that is by competitive tendering and removing waste and mismanagement, and I dare say other stuff, from the whole exercise of public procurement. We have saved hundreds and hundreds of millions of dollars. This very Chamber that we are in, Madam Speaker, you heard the hon. Prime Minister today talk about a savings in terms of the cost of rehabilitation of this magnificent building, a savings from the cost projected by that Government of \$600 million. [*Desk thumping*] So I say, “dey cyah beat us on dat”. “Dey cyah beat us on dat.” They could keep coming in this House and talking, but the population has accepted, we had a very, very difficult job to do, and we have done it well. We have done more with less as the hon. Prime Minister continues to tell us. [*Desk thumping*]

With respect to statements made by hon. Members opposite, and there is very little to reply to. Very little. I have dealt with the Children’s Life Fund allegation. With respect to WASA and desalination, the facts are what they are. The fact of the matter is that we are paying for desalinated water, such a fantastic sum of money every year, \$500 million a year for desalinated water, and this payment of \$500 million flows from a decision of the UNC Government of ’95 to 2001, to enter into an arrangement for desalinated water, a take-or-pay arrangement. The result of that decision in 1999 is a liability on the Government to pay \$500 million a year for desalinated water, until 2036. Until 2036, and we only get back a fraction of that \$500 million in revenue from the entities that consume this water. Those are the facts. [*Desk thumping*] And this is why this Government has had to go and borrow 680 million Trinidad dollars, to deal with those payments, WASA cannot afford it. They simply cannot afford it. And to answer a

question somebody asked me, the commercial bank that won the tender for that US \$100 million loan was Republic Bank. That is to answer that question, because we have nothing to hide on this side. Any question you ask, if we have the answer, you get it.

So, Madam Speaker, I have dealt with that, the Children's Life Fund, I want to reiterate, we have put \$34 million into that fund since 2015. And with those few words, Madam Speaker, I do not think there is anything more for me to say, I beg to move. [*Desk thumping*]

Question put and agreed to.

Resolved:

That this House adopt the Second Report of the Standing Finance Committee of the House of Representatives for the Fifth Session, (2019/2020), Eleventh Parliament on the consideration of proposals for the Variation of Appropriation for the fiscal year 2019.

FINANCE (VARIATION OF APPROPRIATION)

(FINANCIAL YEAR 2019) BILL, 2020

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

That a Bill to vary the appropriation of the sum the issue of which was authorised by the Appropriation (Financial Year 2019) Act, 2018 and varied by the Finance (Supplementary Appropriation) (Financial Year 2019) Act, 2019, be now read a second time.

As is customary, Madam Speaker, having dealt with all of the issues, I beg to move.

Question proposed.

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

Finance Bill, 2020 (cont'd)
 Hon. C. Imbert (cont'd)

2020.01.27

Question put and agreed to.

Bill accordingly read a second time.

Question put and agreed to: That the Bill be read a third time.

Bill accordingly read the third time and passed.

ADJOURNMENT

The Minister of Social Development and Family Services (Hon. Camille Robinson-Regis): Thank you very much kindly, Madam Speaker. Madam Speaker, I beg to move that this House do now adjourn to Friday the 31st day of January, 2020, at 1.30 p.m. Madam Speaker, at that time we will debate an Act to amend the Insurance Act, 2018. [*Interruption*] That is Private—you have something you want to debate?

Mrs. Persad-Bissessar SC: Crime.

Mr. Lee: That is Private Members' Day. [*Crosstalk*]

Hon. C. Robinson-Regis: Madam Speaker, the Minister of Finance has a particular deadline to meet. We give the undertaking that you will get two Private Members in February.

Mrs. Persad-Bissessar SC: Carnival Friday?

Hon. C. Robinson-Regis: No, you could come but we will not be here. [*Laughter and crosstalk*] So yes, so we will do this debate, but we give the undertaking that there will be Private Members' Day to make it up.

Mrs. Persad-Bissessar SC: Fair enough.

Hon. C. Robinson-Regis: Thank you.

Question put and agreed to.

House adjourned accordingly.

Adjourned at 6.46 p.m.