

HOUSE OF REPRESENTATIVES*Friday, January 31, 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 Mr. Barry Padarath, MP, Member for Princes Town, who has requested leave of absence from today's sitting of the House. The leave which the Member seeks is granted.

CONDOLENCES**(MR. CYRIL ALEXANDER ROGERS)**

Madam Speaker: Hon. Members, as you may be aware, Mr. Cyril Rogers, former Member of Parliament, passed away on January 25, 2020. Mr. Rogers served as the Member of Parliament for Point Fortin and Deputy Speaker during the First and Second Republican Parliaments from 1976 to 1986. I now invite hon. Members to pay their respective tributes to Mr. Rogers.

The Minister of Housing and Urban Development (Hon. Maj. Gen. Edmund Dillon): Thank you, Madam Speaker. It is with a great sense of solemnity that I rise to pay tribute to a gentleman who was well respected and well-liked by the constituency of Point Fortin in particular and Trinidad and Tobago in general.

Mr. Cyril Alexander Rogers was born in New Lands, Point Fortin, on February 09, 1924. He was the last survivor of his four siblings. He was the husband of Matilda Rogers with whom he shared 50-odd years of his life and together, they had four children. He departed this life at his home at Canaan Road, Point Fortin, on the 25th of January, 2020, mere days short of his 96th birthday. Mr. Rogers saw Point Fortin grow from a fishing and agricultural village with mud and gravel roads to

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the bustling borough that it is today.

Cyril Rogers started his working life as an office boy with the Shell Oil Company in Point Fortin. His ambitious disposition led him to pursue training at the private institution in his community, specializing in what was then referred to as “commercial subjects” under the tutelage of I.F. Wilson. As a result of his training and his performance at the office, he was elevated to the position of Stenographer. He subsequently served as the Public Relations Officer of Trintoc and retired in this position in the successor company, Petrotrin. His entry into politics was inevitable as in all his activities in the Point Fortin community, and the wider south-western peninsular, he was known to be someone who sought to support all projects that were undertaken to enrich the quality of life for all residents in the area.

Within the Point Fortin constituency, he was well known for forming the Party Group Number 13 which today boasts of producing parliamentarians and mayors. He served as the constituency chairman and secretary. In 1976, he was elected as a People’s National Movement Member of Parliament for the Point Fortin constituency in the First Republican Parliament and served two terms in his capacity until 1986. The quality of his representation of the people is remembered to this day with pride and a deep sense of gratitude that is expressed by all regardless of political affiliations.

During his tenure, Cyril Rogers held the position of Deputy Speaker in the Parliament of Trinidad and Tobago, a duty that he performed impartially, respectfully and cordially, qualities that earned him the accolade of being the fairest of all. David Renwick, the then parliamentary affairs reporter with the *Trinidad Express* wrote in the *Express* dated Sunday the 23rd of March, 1986:

Mr. Cyril Rogers was the most genuinely impartial Speaker the House has

known.

In the same article, he went on to say:

I have seen Rogers summarily put down Mr. Chambers, the Prime Minister, in a way Speaker Arnold Thomasos would never do to Dr. Williams.

Such was the strength of the character and the discipline of the man, Madam Speaker.

The concern of Mr. Rogers for the enrichment of community life and the provision of services in support of this goal led him to be a founding member and exemplary leader in several major projects. Chief among these were:

- The Cedros Fishing Co-operative in support of providing training, direction and general guidance to the fisherfolk of the peninsula.
- The Point Coco/Granville Co-operative, where together with Mr. Louis John-Williams, they started the production of tilapia in Point Coco.
- The Point Fortin Senior Citizens' Home at Techier Village, Point Fortin, which is today the home for many of our less privileged members in our society.
- The St. Anthony's Taxi Co-operative; to name a few.

Cyril Alexander Rogers, visionary in this position, was instrumental in the establishment of an earlier Venezuelan accord which may be cited as the forerunner to recent efforts to effectively, cordially, and humanely manage and effectively oversee the relationship between our neighbouring Venezuela and Trinidad and Tobago.

In my own capacity as the MP for Point Fortin, Mr. Rogers, who drove himself, up to about a year ago, around Point Fortin, would drop in at the MP's office, not to request any assistance, but to provide advice and as he termed it

Condolences (Mr. Cyril Alexander Rogers)
Hon. Maj. Gen. E. Dillon

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“political guidance” which I called instructions since they were always prefaced by the word “Youngster, you need to do this or you need to do that”.

Madam Speaker, for all that he has done and the sacrifice of personal family life that it took to serve as he did, sincere gratitude is hereby extended to his family for your time that Cyril Rogers shared with us. The strength of this man was so awesome that even an earlier challenge to his health did not manifest itself sufficiently to distract him from focusing on his calling to serve his fellow man. The name Cyril Alexander Rogers is indelibly written into the very fabric that is Point Fortin and his service to country is firmly recorded and appreciated by the national community.

In light of this and on behalf of the Point Fortin constituency, and indeed all of Trinidad and Tobago, good and faithful servant, Cyril Rogers, we thank you very much. Rest in peace.

Dr. Bhoendradatt Tewarie (*Caroni Central*): Thank you very much, Madam Speaker. On behalf of the Leader of the Opposition and the Opposition of Trinidad and Tobago, I express my sincere condolences to all surviving relatives and friends of Mr. Cyril Rogers who was once, on several occasions, a Member of Parliament in Trinidad and Tobago. He lived to a ripe old age and as a result, many of his relatives and friends have also passed. He was a healthy man and he was a productive man.

Cyril Rogers was elected as MP for Point Fortin on the 13th of September, 1976. In that election, there were nine candidates who contested the election and the result of the election for the first two candidates was Cyril Rogers, PNM, 5,802; Allan Alexander of the ULF, 2,580. Madam Speaker, 1976 was a very heavy year in terms of political contest in Trinidad and Tobago.

Mr. Rogers was sworn in as MP at the ceremonial opening of Parliament on

the 24th of September, 1976. He was elected Deputy Speaker of the House of Representatives on the 24th of September, 1976. His nomination as Deputy Speaker was proposed by Mr. Kamaluddin Mohammed, then Minister of Health and Local Government and then also the Leader of the House. His nomination was seconded by Mr. Patrick Manning, then Parliamentary Secretary in the Ministry of Works, Transport and Communications. On November 19, 1976, he was appointed a Member of the Standing Orders Committee of the House of Representatives.

Mr. Rogers was not a big speaker in Parliament. On Friday the 3rd of June, 1977, he spoke for the first time in the House of Representatives when he rose to request the withdrawal of his name from being associated with a letter that was read in the House by another MP that involved a constituent from Point Fortin. He was a diligent representative of the people of Point Fortin. He was a strong party man for the PNM and he was engaged in a number of community activities in a communitarian way in his constituency. He made his maiden speech in the House of Representatives on Friday the 24th of June, 1977 when he presented the Kiwanis Club San Fernando (Inc'n.) Bill.

In 1981, he again contested the Point Fortin seat and on November 9th, there were four candidates who contested that election and he got over 8,000 votes, again, with Randolph Peters, the ONR candidate getting 3,210. He took the oath of allegiance on the 27th of November, 1981, at the opening of Parliament. He was re-elected as Deputy Speaker of the House of Representatives on the 27th of November, 1981. Again he was reappointed to the Standing Orders Committee of the House of Representatives on the 8th of January, 1977.

He had the distinction, Mr. Rogers, of serving as Deputy Speaker under two Speakers of the House of Representatives, Mr. C.A. Thomasos from 1976 to 1981

and Mr. Matthew Ramcharan from 1981 to 1986. During the speakership of Mr. Matthew Ramcharan, he was required to preside over the House of Representatives on several occasions because Mr. Ramcharan had to seek leave of the House for personal reasons. That is why, as the hon. Member for Point Fortin indicated, Mr. Renwick was able to write about the kind of Speaker that he was at the time because he actually served as Speaker.

In 1986, he contested the Point Fortin constituency for the PNM in the general election on the 15th of December, 1986. He was unsuccessful in that election in which there were three candidates and the result for first two were as follows: Mr. Rogers, 6,494, Selby Wilson of the NAR, 8,417. After that election, Mr. Rogers did not return to the House of Representatives.

Mr. Rogers will be remembered as a community person and as a decent representative of the people of Point Fortin. As I said, he was interested in community activities, in community development and communitarian approaches to the business of development. And therefore, it is with a great sense of loss that we on the Opposition extend condolences to his family and friends.

Madam Speaker: Hon. Members, I wish also to pay tribute to Mr. Cyril Rogers. Mr. Rogers was the longest serving Member for the constituency of Point Fortin. During his tenure in this House, Mr. Rogers contributed to many debates including the Trinidad and Tobago Amateur Radio Society (Inc'n.) Bill, the Lions Club of St. Patrick West of Trinidad, West Indies (Inc'n.) Bill and the Trinidad and Tobago Football Association (Inc'n.) Bill.

I am advised that Mr. Rogers' legacy will be recognized for the yeoman service he provided to his constituents in the wider national community. He was characterized as a visionary who always sought to improve the quality of life for all and was known to be always accessible to his constituents, responsive to their

needs and selfless in his service to his community.

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

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

The House of Representatives stood.

Madam Speaker: May his soul rest in peace. Hon. Members, an appropriate letter will be sent to convey our condolences to the family of the late Mr. Cyril Rogers.

PAPERS LAID

1. Audited Financial Statements of the National Maintenance Training and Security Company Limited for the year ended December 31, 2018. [*The Minister of Finance (Hon. Colm Imbert)*]
To be referred to the Public Accounts (Enterprises) Committee.
2. Annual Report and Audited Financial Statements of the Trinidad and Tobago Heritage and Stabilisation Fund for the year ended September 30, 2019. [*Hon. C. Imbert*]
To be referred to the Public Accounts Committee.
3. Audited Consolidated Financial Statements of the Trinidad and Tobago Creative Industries Company Limited for the year ended September 30, 2017. [*Hon. C. Imbert*]
4. Consolidated Financial Statements of the Trinidad and Tobago Creative Industries Company Limited for the year ended September 30, 2018. [*Hon. C. Imbert*]

5. Audited Consolidated Financial Statements of the Trinidad and Tobago Business Development Limited for the year ended December 31, 2018. [*Hon. C. Imbert*]
 6. Audited Financial Statements of the Rural Development Company of Trinidad and Tobago Limited for the year ended September 30, 2018. [*Hon. C. Imbert*]
- Papers 3 to 6 to be referred to the Public Accounts (Enterprises) Committee.*
7. Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the National Library and Information System Authority for the year ended September 30, 2012. [*Hon. C. Imbert*]
 8. Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the National Library and Information System Authority for the year ended September 30, 2013. [*Hon. C. Imbert*]
 9. Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the National Library and Information System Authority for the year ended September 30, 2014. [*Hon. C. Imbert*]
 10. Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the National Library and Information System Authority for the year ended September 30, 2015. [*Hon. C. Imbert*]
 11. Audited Financial Statements of the Trinidad and Tobago Postal Corporation for the year ended September 30, 2008. [*Hon. C. Imbert*]
 12. Audited Financial Statements of the Trinidad and Tobago Postal Corporation for the year ended September 30, 2009. [*Hon. C. Imbert*]
 13. Audited Financial Statements of the Trinidad and Tobago Postal Corporation for the year ended September 30, 2010. [*Hon. C. Imbert*]

Papers 7 to 13 to be referred to the Public Accounts Committee.

14. Ministerial Response of the Ministry of Finance to the Twenty-Fifth Report of the Public Accounts Committee on the Examination of the Audited Financial Statements of the National Lotteries Control Board (NLCB) for the years 2008 to 2012 and the NLCB's expenditure and internal controls during this period. [*The Minister of Health (Hon. Terrence Deyalsingh)*]
15. Green Paper on the National Child Policy. [*The Minister of State in the Office of the Prime Minister (Hon. Ayanna Webster-Roy)*]
16. Green Paper on the National HIV and AIDS Policy 2020 to 2030. [*Hon. A. Webster-Roy*]
17. Green Paper on the National Policy on Culture and the Arts. [*The Minister of Community Development, Culture and the Arts (Hon. Dr. Nyan Gadsby-Dolly)*]

URGENT QUESTIONS

National Gas Company (Renegotiation of Gas Pricing Formula)

Mr. Rudranath Indarsingh (Couva South): Thank you very much, Madam Speaker. To the Minister of Energy and Energy Industries: Given the recent reports of possible job losses among companies in the manufacturing sector that buy natural gas from the National Gas Company and the many calls from stakeholders for NGC to consider renegotiating its gas pricing arrangements, can the Minister inform this House whether the Government is prepared to renegotiate NGC's gas pricing formula?

The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan): Thank you very much, Madam Speaker. At this point in time, there is no possible massive job losses in the manufacturing sector, be it the light manufacturing sector or the petrochemical sector at Point Lisas. The way the Opposition is behaving, I think they are wishing that happens.

The issue is, NGC—the question is ambiguous in that it does not clarify between light manufacturing or petrochemicals but I will deal with light manufacturing. NGC has always subsidized gas to the local light manufacturing sector. Faced with reality of a higher natural gas price from upstream to the NGC, despite that, the NGC will continue to offer subsidies to the local light manufacturing sector. However, there must be some adjustment to the burden and that is the basis on which the NGC is now negotiating with the light manufacturing sector, to see how this burden could be adjusted amicably for both parties. With regard to petrochemical sector, negotiations are taking place.

I want to go on the record to say that successful negotiations have been completed with CNC, N2000, Neutron and the NGC are currently in discussions with MHTL, which is part of the Proman group. When that is completed—and my information is that it is looking as if it will come to an amicable conclusion—most of the petrochemicals plants at Point Lisas will have secured gas supply contracts, both in terms of volume and price. So I do not think there is any need to raise a red flag at this point in time but as you all know the gas industry internationally is dynamic and we continue to monitor it. [*Desk thumping*]

Mr. Indarsingh: Thank you, Madam Speaker. So, Minister, you are telling this House based on, for example, the job losses that occurred at Yara and when methanol plants were mothballed and so on, on the Point Lisas Industrial Estate, and the loss of foreign exchange, there is no need for an alarm or for the Government to provide a timeline in terms of when negotiations will be finalized as it relates to stakeholders on the Point Lisas Industrial Estate? [*Desk thumping*]

Sen. The Hon. F. Khan: Madam Speaker, the Government does not negotiate gas prices, the NGC does that. Having said that, the Yara plant—I came to this House and I explained the Yara plant. The Yara plant was built in 1966. It was probably

one of the first plants built at Point Lisas. It was the most inefficient user of gas and it had served its term and the time has come now with this new gas pricing scenario that it has come to the end of its life. It is not fundamental to the whole operations of Point Lisas and “put that in yuh pipe and smoke it”. [*Desk thumping*]

Mr. Singh: Thank you very much, Madam Speaker. I am not a smoker and I just want to indicate that with respect to the very low ammonia prices and the high gas cost, what is the response of the Government to that, that you have low ammonia gas prices, high gas cost, and that therefore it is becoming uneconomical for the plants in Point Lisas to function?

Madam Speaker: I would not allow that as a supplemental question.

ANSWERS TO QUESTIONS

The Minister of Health (Hon. Terrence Deyalsingh): Thank you very much, Madam Speaker. There are three questions for oral answer. The Government will be answering all three. There are five questions for written responses. The Government will be laying the written responses for all five questions. Thank you very much.

WRITTEN ANSWER TO QUESTION

Nation’s Public Debt (Details of)

27. Mr. David Lee (Pointe-a-Pierre) asked the hon. Minister of Finance:

With regard to the nation’s public debt, could the Minister state:

- a) the total value of loans in the local and international financial markets for the period April 22 2017 to December 31, 2019; and
- b) the total value of bonds raised for the period April 22, 2017 to December 31, 2019?

Vide end of sitting for written answer.

ORAL ANSWERS TO QUESTIONS

UTT (Student Enrolment)

21. Mr. Fazal Karim (*Chaguanas East*) asked the hon. Minister of Education:
Could the Minister provide the annual number of students enrolled at the UTT from 2018 to present?

The Minister of Education (Hon. Anthony Garcia): Thank you very much, Madam Speaker. Madam Speaker, the annual number of students who were enrolled at the University of Trinidad and Tobago from 2018 to present are as follows:

- Academic year 2017 to 2018, 7,114;
- Academic year 2018 to 2019, 7,392;
- And academic year 2019 to 2020, Semester I, 6,499.

Thank you very much.

Madam Speaker: Supplemental, Member for Chaguanas East.

Mr. Karim: Thank you very much, Madam Speaker. Hon. Minister, could you tell us what is responsible for the fall or the decline in student enrolment from the academic year 2018 to 2019 to 2019 to 2020?

Hon. A. Garcia: Madam Speaker, I was at pains to express the fact that 2019 to 2020 represents Semester I, just one semester. Thank you very much.

Madam Speaker: Supplemental, Member for Chaguanas East.

Mr. Karim: Thank you very much, Madam Speaker. Hon. Minister, would you say that that fall, even though it is one semester, is in any way connected with the dismissal of hundreds of members of staff at the University of the Trinidad and Tobago? [*Desk thumping*]

Hon. A. Garcia: Madam Speaker, there is absolutely no connection, except what

operates in the figment of his imagination. Thank you very much.

Madam Speaker: Of the Member. Of the Member's imagination.

**Heritage Petroleum Limited
(New Exploration Techniques)**

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

Could the Minister provide the new exploration techniques (exclusive of techniques previously utilized at Petrotrin) implemented at Heritage Petroleum Limited since the commencement of its operations?

The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan): Thank you very much, Madam Speaker. Since Heritage Petroleum commenced its operation, no actual exploration wells were drilled. Drilling is done in two parts: development drilling and exploration drilling. Development drilling is exploiting known reserves, exploration drilling is to look for new reserves.

However, Trinidad and Tobago Petroleum Limited is assessing the use with regard—but exploration work, I must say, continues prior to the drilling of an exploration well. Heritage Petroleum Limited is assessing the use of ocean bottom nodes seismic, popularly known as OBN, which could allow for the imaging of deeper reservoirs offshore. This has not been used on Heritage acreage before and has been successfully used off the east coast by both bp, Shell and EOG. Ocean bottom nodes surveys will allow for longer offsets and multi-azimuth which will result in higher quality data sets.

Additionally, a volume metric assessment of the acreage will also be done through a basin petroleum system study which includes field delineation and assessments of reserves. In addition, petrophysical studies and what is called “pre-stack depth migration reprocessing” of the 2014 ocean bottom cable seismic is

planned, and these activities will very likely generate new exploration prospects that will be considered for drilling.

2.00 p.m.

Mr. Lee: Thank you. Did I hear the Minister correctly that since Heritage Petroleum has been in existence no new techniques have been in place over the last 12 or more months?

Sen. The Hon. F. Khan: Member for Pointe-a-Pierre, when you have some time I will come and give you a lesson in exploration geology. [*Desk thumping*] Exploration drilling is the final act in the exploration process. You have to do studies, you have to acquire data and that takes time, you have to build models. All these activities are taking place, but we have not come to the point of drilling and actual exploration well and we hope before the end of 2020 we would so do.

Mrs. Gayadeen-Gopeesingh: Hon. Minister, is there any plan for 2,000 acres of prime agricultural lands vested to Heritage Petroleum from PSAEL to do exploration?

Madam Speaker: I will not allow that under the question asked. So the question was answered. Member for Naparima.

Mr. Charles: Would the Minister of Energy and Energy Industries give us a specific time frame. What we keep hearing is “we contemplating”, “we looking”, “we analyzing”, “we doing”. We are asking, as a First World country, when will your exploration and your developmental projects come to fruition so that we could have comfort that you know what you are doing?

Sen. The Hon. F. Khan: The development process has already begun. Petrotrin has one drilling rig in operation and it has 17 workover rigs in operation. As I explained laboriously, the exploration process is more complicated. We are searching for new hydrocarbon reserves in a very mature field that is 100 years old,

and you have to come up with new models to do it. And that takes the acquisition of modern seismic data, and new concepts in terms of basin modelling and we need the right type of human capital to do so. So Heritage has now recruited a cadre of what we call “sub-surface professionals” to conduct that study and we are contemplating joint venture arrangements with several international companies, primarily Shell.

Mr. Charles: Is the Minister in a position to give us information—over the past four years with Heritage and with the predecessor companies any element of success in exploration or in developmental drilling?

Sen. The Hon. F. Khan: That was one of the main reasons that we had to do the restructuring and we have now completed it and we have remodelled the company with most importantly new human capital capabilities. There are a lot of bright young engineers and geologists around. They were not being recruited. They are the ones who have the technological know-how to implement this programme. And I have full confidence in this new generation of technocrats to deliver the results that we are looking for.

Mrs. Gayadeen-Gopeesingh: Hon. Minister, are you saying then that Heritage Petroleum is focusing only on seismic offshore testing and not land exploration?

Sen. The Hon. F. Khan: I did not say that. I referred to OBN seismic, which is offshore specific. On land we have to use other models and some of the other things I spoke about here which is a volume metric analysis of the acreage through petroleum systems studies. All these things, it may sound like jargon to you, but they have real meaning in the science. And you have, as I said, we are putting our trust in the new generation of technocrats that we hope will deliver these results that we require.

**Unemployment Rate
(Details of)**

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26. Mr. David Lee (*Pointe-a-Pierre*) asked the hon. Minister of Labour and Small Enterprise Development:

Could the Minister provide the unemployment rate as calculated by the Central Statistical Office for the periods:

- a) July 01, 2018 to December 31, 2018; and
- b) January 01, 2019 to October 01, 2019?

The Minister of Labour and Small Enterprise Development (Sen. The Hon. Jennifer Baptiste-Primus): Thank you very much, Madam Speaker, for the opportunity to respond under these lovely conditions, this historic building. Madam Speaker, the latest available unemployment rate published by the CSO is for the second quarter of 2018 where it stood at 3.8 per cent. The unemployment rates for the other periods referred to in the question, that is, July 01, 2018 to December 31, 2018, and January 01, 2019 to October 01, 2019, have not been published by the CSO to date and are therefore unavailable at this time. Thank you, Madam Speaker.

Mr. Karim: Thank you, Madam Speaker. Hon. Minister, of that 3.8 per cent which you quoted can you tell us what band, what age group is the highest of the unemployed?

Sen. The Hon. J. Baptiste-Primus: Madam Speaker, that information can be provided at a later point in time, but not now.

DEFINITE URGENT MATTERS

(LEAVE)

Coronavirus Infections

Dr. Tim Gopeesingh (*Caroni East*): Thank you very much, Madam Speaker. Madam Speaker, in accordance with Standing Order 17, I hereby request your leave to move the adjournment of the House or Representatives at today's sitting

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for the purpose of discussing the following definite matter of urgent public importance, namely the increasing number of coronavirus infections in 25 countries and Trinidad and Tobago's Government not properly securing the country's borders.

The matter is definite because it relates to a global pandemic with thousands of confirmed cases and hundreds of deaths with the virus being spread exponentially whilst the Government of Trinidad and Tobago is only temporarily prohibiting arrivals from China at this time. The matter is urgent because there is a grave and urgent risk that the coronavirus could be spread to Trinidad and Tobago through visitor arrivals from countries with infected patients, bearing in mind that the virus could take up to 14 days to become apparent.

The matter is of public importance because lives are at stake and in the absence of appropriate contingency measures there is the danger of the contagious coronavirus becoming an epidemic in Trinidad and Tobago. Thank you very much, Madam Speaker. [*Desk thumping*]

Madam Speaker: Hon. Members, I am not satisfied that this qualifies under this Standing Order.

San Juan Boys' and Girls' Primary Schools

Dr. Fuad Khan (*Barataria/San Juan*): Thank you, Madam Speaker. Thank you for recognizing me. Madam Speaker, in accordance with Standing Order 17 of the House of Representatives, I hereby request you leave to move the adjournment of the House at the sitting today for the purpose of discussing the following definite matter of urgent public importance, the failure of the Government to provide the students of San Juan Girls' and Boys' Government Schools with adequate and proper educational facilities.

The matter is definite because for four and a half years the Government has promised to complete the schools, but allowed the construction site to languish in

neglect for some reason or another. The matter is urgent because approximately 300 students are forced to be transported daily to a building in Tunapuna which is cramped and not conducive for the provision of education, losing hours of learning. The matter is of public importance, Madam Speaker, because the conditions presented to the students, teachers, staff and parents of these schools are harmful and mentally tiresome.

Madam Speaker: Hon. Members, I am not satisfied that this matter qualifies under this Standing Orders.

STATEMENTS BY MINISTERS

National Child Policy

The Minister of State in the Office of the Prime Minister (Hon. Ayanna Webster-Roy): Madam Speaker, I have been authorized by the Cabinet of Trinidad and Tobago to make the following statement. It is indeed a great pleasure for me to lay in this House the Government's National Child Policy.

The Government of the Republic of Trinidad and Tobago has been working assiduously for multiple years to develop a representative, holistic, relevant and child-focused National Child Policy where the well-being and the best interest of the child is considered of utmost importance. This is the first National Policy that has been developed for the children in Trinidad and Tobago. The development of this National Child Policy is critical as our nation strives towards *Vision 2030* and to achieving the Sustainable Development Goals.

Madam Speaker, the policy takes note of the current analysis of the situation of children which illustrates that although there have been some legislative and institutional advancements that benefit our nation's children, there are still several shortcomings to be addressed. Acknowledging the many advancements made to date, whilst recognizing the areas for improvement, the policy crystallizes the

Government's commitment towards children's well-being and signifies a vital step towards charting the way forward to a better quality of life for all children and, by extension, all citizens. It is, therefore, a crucial milestone in the country's child development machinery, and most importantly, our nation's development landscape.

The policy vision is for:

“All children”—to be—“happy, healthy and confident that their rights are respected, protected and promoted to facilitate their holistic development towards achieving their fullest potential as constructive members of society now and in the future”.

The policy mission is for all of Trinidad and Tobago:

“To work collectively to promote and ensure the positive development, well-being, best-interests and empowerment of all children”.

This will be done through the recognition of their importance, prioritization of their needs, respect and protection of their rights, and encouragement of their active participation. It will strengthen their families and community environments, and provide quality, efficient, and specialized support and services.

More specifically, the National Child Policy provides a comprehensive framework to guide all stakeholders towards achieving the optimal well-being of children. It provides a framework for the development and coordination of policies, programmes and legislation that promote the rights of all children. It ensures sufficient, effective and sustainable resource allocation for services that would directly impact children. It provides a gauge for stakeholders to position and align their strategies, resources, and mobilization efforts over the long-term, and it creates the blueprint through which the Government would encourage all duty bearers, guardians and the like, to shift from viewing and treating children as

passive objects or possessions to seeing them as valuable human beings.

To achieve the vision this policy outlines the enhancement of legislation, support services, programmes, strategies, working in tandem with parents, guardians, the family, key stakeholder organizations, such as the Ministry of Education, the Children's Authority, the Children and Family Courts and many civil society organizations serving children, youths and the family.

Madam Speaker, the policy is rooted in eight guiding philosophies and outlines six outcomes for children. These outcomes include the following. Children are: one, loved; two, valued; three, nurtured; four, protected; five, empowered; and six, supported.

There are 25 interconnected strategic objectives and corresponding strategies and targets to ensure the achievement of these outcomes. To ensure that our children are loved, our strategies will: advocate for and promote children's rights and responsibilities; advocate for relationships of care, trust and connection between children and their caregivers or families; enhance measures to ensure children are free from racism, discrimination and stigma and provide a full range of opportunities for children to develop, express, and celebrate their talents.

To value our children the strategies will design and implement a national, social and behaviour change communication campaign; create opportunities for children's achievements to be recognized and celebrated; and celebrate diversity and foster inclusion. To ensure that our children are nurtured, the policy: directs that we provide support to families, family environments and caregivers to care for children; ensure the provision of quality physical and mental health services for children; enhance access to quality inclusive education services, including early childhood development, and learning opportunities; and provide a safe, child-friendly space for recreation and play.

To ensure that our children are well protected the strategies dictate that: we strengthen measures to prevent, identify, report and respond to abuse, abduction, exploitation, trafficking, and neglect; enhance measures to reduce children's involvement in violence and support their rehabilitation and restoration; enhance measures to prevent child labour and children's involvement in hazardous work and strengthen measures to prepare for, mitigate, respond to and recover from emergencies and disasters.

To achieve the empowerment of our children, our strategies will: provide opportunities for children to participate in decisions that affect them and the wider society; enhance access to information and services aimed at reducing risky behaviour and facilitating informed decision-making; provide children with opportunities for civic engagement and community service; provide children with equal access to the skills, knowledge and capabilities for success in life, learning and work.

To give our children the best support possible the strategies will: enhance legislative and policy frameworks to support children's well-being; increase the provision of social protection mechanisms to support children and their families; enhance the provision, development and operationalization of support systems and specialized services for children; ensure a coordinated approach to planning and provision of effective support systems and services for children; establish a National Research Agenda to provide strong, empirical support in child well-being policies and strategies and design and deliver support services to satisfy the diverse needs and priorities of children and their caregivers.

In addition to these strategic objectives, the policy also makes reference to the multi-faceted needs and situations of children. In this regard, the policy highlights six key areas of priority which require significant emphasis, investment

and the creation of specialized services, strategies and programmes to assist in the holistic development and positive outcomes for children. These areas of priority include: early childhood development; social protection; health; special needs; education; and child protection.

Madam Speaker, the policy also states the development of an extensive implementation plan. The success of the implementation of the policy is reliant on multi-sectoral collaboration and co-operation. Therefore, working in silos cannot occur if this policy is to be successful. It is anticipated that the policy will be sustained by a communications strategy and monitoring and evaluation framework. Madam Speaker, the Office of the Prime Minister did not draft this policy without careful consideration of the views of other key stakeholders. As such, we included the view of children. We thank all who would have helped us in bringing this policy forward. We give thanks to all our children, agencies, UNICEF, groups and individuals, who have contributed ideas and time to the development of this National Child Policy. May God bless the children of this nation and all persons in our beloved twin island of Trinidad and Tobago. I thank you. [*Desk thumping*]

Mrs. Newallo-Hosein: Thank you, Madam Speaker. Hon. Member for Tobago East—pursuant to 24(4). Thank you for your statement that seems very impressive, a detailed statement. Could the hon. Minister indicate if, based on the policy you have outlined in keeping with the development of children, will you be returning the baby grant to—a part of your policy to needy families? [*Desk thumping*]

Hon. Member: “All of that sound good”.

Hon. A. Webster-Roy: Madam Speaker, the policy document encourages holistic overview of child care and development. In that instant, Madam Speaker, any measures that the Government, and by extension, our stakeholders, believe would improve the quality of life for our children will be considered.

National Policy on HIV and AIDS

The Minister of State in the Office of the Prime Minister (Hon. Ayanna Webster-Roy): Thank you, Madam Speaker. Madam Speaker, I have been authorized by the Cabinet of Trinidad and Tobago to make the following statement.

It is indeed a pleasure for me to make this statement on this country's first ever National HIV and AIDS Policy laid in Parliament. This policy creates a framework for charting the course for this country's response to the HIV disease to achieve the goal of ending AIDS by 2030.

The policy, long overdue, will become the backbone of a five-year National Strategic Plan for HIV and AIDS, which will shape and guide the country's agenda up till 2030. This National Policy on HIV and AIDS is for the people of this nation. It will provide for an improved quality of life for people living with, as well as those affected by HIV, and communities vulnerable to HIV; and the overall approach for matters related to sexual and reproductive health for every man, woman, boy and girl within the shores of Trinidad and Tobago.

The National HIV and AIDS Policy recognizes that HIV and AIDS is a development issue and thus uses a holistic approach to ensure alignment with other national, regional and international policies.

In Trinidad and Tobago, HIV remains one of the diseases identified as a priority by the Ministry of Health. We acknowledge that the issues related to HIV and AIDS are cross-cutting and can have significant social and economic impact unless comprehensively addressed across multiple sectors. In this regard, the National AIDS Coordinating Committee was established to lead the coordination efforts to synchronize and empower the country's national response to HIV and AIDS.

As a country we have identified that the opportunity to end AIDS as we know it must be matched by a sustainable and robust response. Critical to the national response is the prevention of sexually transmitted infections inclusive of HIV and the social and environmental factors that put persons at risk.

The development and implementation of this National Policy on HIV and AIDS is an initiative led by the National AIDS Coordinating Committee and its Secretariat in the Office of the Prime Minister. The current Green Paper of this policy was developed through a highly consultative process which included stakeholders in the national response, key populations and all of the implementing Ministries with social responsibilities for provision of services to those in need.

While this policy is being developed and finalized, and as the country works towards the goal to end AIDS by 2030, it must be noted that certain aspects of this policy have already received prior approval and are currently being implemented, such as the “Treat All” campaign which aims to treat successfully every citizen in Trinidad and Tobago diagnosed with HIV.

The Government has provided the Office of the Prime Minister with the financial resources in this year’s fiscal budget to finalize the National Policy on HIV and AIDS. Additionally, the administrative structure for the National AIDS Coordinating Committee’s Secretariat is also being developed to support the implementation of the policy measures.

This Green Paper is being laid in this honourable House for public scrutiny and comments. This will afford stakeholders the opportunity to ensure the policy adopts best practices and is in alignment with the projected outputs and outcomes of the implementation programme. Our policy is novel in that it already captures stakeholders’ feedback in policy statements for psychosocial support, nutrition and food security and access to treatment and care during and after humanitarian

emergencies and crises.

Our mission of this policy is to challenge and encourage the national community to work in partnership to prevent and treat HIV and to mitigate negative impacts of HIV and AIDS. This would be achieved by creating an enabling environment for preventing the further transmission of HIV and AIDS in the population. Optimizing the treatment, care and support and setting standards to guide, coordinate and manage the national response at all levels in all sectors.

There remains a lot to be accomplished to reduce the risk of HIV for the next generation, to improve the lives of those living with HIV in this generation, and to address root causes that cut across all matters related to sexual and reproductive health.

Madam Speaker, I would like to highlight the key aspects of the National Policy to HIV and AIDS. One, the policy is rooted in twelve underlying principles: political leadership and commitment; good governance, transparency and accountability; equity; gender equality; promotion and protection of human rights; collaboration; inclusion; community systems strengthening and participation; evidence based programming; regulatory oversight; efficiency and sustainability.

This policy aims to: provide an overarching framework to guide the national response to HIV and AIDS and will have direct and indirect social impacts to shape the physical, economic and social environment for vulnerable populations, persons living with HIV and persons affected by the disease; create opportunities to influence the behaviours of these groups; provide guidance on high impact prevention, treatment and care strategies through an enabling environment; and ensure the sustainability of the national response.

This policy will facilitate ending AIDS by 2030 by achieving the following

desired outcomes: reduced new infections; reduced AIDS related deaths; elimination of mother to child transmission; increased knowledge of HIV status; increased persons on treatment; persons on treatment virally suppressed; decreased stigma and discrimination faced by persons living with HIV and key populations; increased proportion of persons living with HIV and key populations engaged in national response programmes; create an enabling environment which promotes universal access to services and resources which mitigates the impact of HIV and AIDS; sustainability of the national response; and strengthened evidenced based and robust research agenda used for planning, decision-making, policy formulation and programme implementation.

It is envisaged that the end of AIDS as we know it will be achieved by the year 2030 in keeping with the Government's national development strategy, our *Vision 2030* framework, and the United Nations Sustainable Development Goals. The strategies and actions are designed to strengthen the capacity of policymakers, planners and implementers to meet the societal commitments to eliminating AIDS.

National ownership of this policy is critical to our achievement of our goals and as such the implementation of the HIV policy requires the active participation of key stakeholders including the agencies of State, private sector, civil society, trade unions and the Office of the Parliament, among others.

Madam Speaker, we are all affected by this epidemic in one way or the other. This Government firmly believes that development strategies are clearly more equitable when they consider the different needs, constraints, opportunities, and priorities of men and women. The implementation of this Policy on HIV and AIDS will create the sustainability of our HIV and AIDS response across all sectors and address the many root causes of vulnerability to this infection. It will also address the behavioural and biomedical opportunities for prevention,

treatment and care.

Madam Speaker, as I close, permit me to recognize those who contributed to this historic moment. I thank all individuals and organizations who would have contributed to the development of this policy. I salute the National AIDS Coordinating Committee, technical officers and staff of the Office of the Prime Minister who worked tirelessly on advancing this policy, and national stakeholders who are already implementing elements of this policy.

This policy would advance our movement towards a nation where men and women, boys and girls within the shores of Trinidad and Tobago, can have reduced risk to HIV and other STIs. Thank you, Madam Speaker.

2.30 p.m.

Madam Speaker: Member for Barataria/San Juan.

Dr. Khan: Thank you, Madam Speaker, 24(4). Minister, I just want to ask a question. Did your policy have anything in it about pre-exposure prophylactic medication for susceptible groups?

Madam Speaker: Minister of State in the Office of the Prime Minister.

Hon. A. Webster-Roy: Thank you, hon. Member. That was considered. And as I would have mentioned in my statement, the policy document is open for further consultation and discussion to further strengthen it.

Madam Speaker: Minister of Health. [*Desk thumping*]

Coronavirus (2019 nCoV)

The Minister of Health (The Hon. Terrence Deyalsingh): Thank you Madam Speaker. Madam Speaker, I have been authorized by the Cabinet of Trinidad and Tobago to make the following statement:

The Government of the Republic of Trinidad and Tobago is very mindful of the concerns of the population with respect to the health threat to the country if the

novel coronavirus is transmitted into Trinidad and Tobago. These concerns are legitimate since the virus is considered highly virulent in that it is fast spreading, infectious and progressive.

As of yesterday, the WHO reported 9,776 confirmed cases worldwide of which 9,658 or 99 per cent were in China, and the remaining 118 or 1 per cent, spread over 20 countries worldwide. Indeed, the World Health Organization yesterday declared the novel coronavirus which originated in China, a public health emergency of international concern.

Madam Speaker, I want to assure the population through this honourable House that the Government is fully aware of the risk factors to this country, and is in control of the situation and has put measures and resources in place to manage this risk. Our immediate focus is to interrupt the transmission of the virus into this country. It must be emphasized and the assurance is given to this honourable House, that contrary to media reports today, there are no suspected or confirmed cases of coronavirus in the country. I want to assure this honourable House that the Ministry of Health will keep the population informed on a continuous basis of any developments in this matter pertaining to Trinidad and Tobago.

Madam Speaker, coronaviruses are a large family of respiratory viruses that can cause diseases ranging from the common cold, to the Middle East Respiratory Syndrome, MERS, and the Severe Acute Respiratory Syndrome, SARS. As a country, we have experience in treating with SARS during the period 2004—2006. Several measures have been implemented globally to interrupt the transmission of the novel coronavirus including closing of borders with China, restriction of flights emanating to and from China, and thermal screening of passengers at ports of entry. China itself has imposed travel bans from its affected cities, and most countries have advised to avoid non-essential travel to China.

I wish to report that over the past few weeks this Government has taken a proactive approach in setting up precautionary measures to interrupt the transmission of the coronavirus into Trinidad and Tobago. These measures include thermal screening of passengers from the USA, Canada, Panama and the United Kingdom at our major ports of entry.

As of January 31, 2020, 292 flights were screened, and 24,229 passengers and crew were screened at both airports, here and in Tobago. Madam Speaker, I wish to report that no person was found to be febrile, that is, with a body temperature of above 37.2 degrees centigrade.

Additionally, as of yesterday, Cabinet approved travel restrictions with immediate effect for persons who are living or visiting China within a 14-day period. In the event that a person presents at a port of entry in Trinidad and Tobago, they may be subject to quarantine measures. In this regard, CARPHA, who has the responsibility for testing in the region has advised that it will have the capacity to begin testing by Monday, February 03, 2020.

As an additional layer it is our quest to interrupt the transmission of the virus the Joint Regional Communications Centre located in Barbados screens approximately 40 million passengers annually, specifically those entering and travelling within the Caricom region by air and sea ports. This centre serves as a critical intervention point in detecting and mitigating the risk of travellers entering the Caricom region with the virus.

Furthermore, the Government has taken steps to proclaim the novel coronavirus as a dangerous infectious disease under the Public Health Ordinance, Ch. 12, No. 4, in order to trigger the special provisions under the Ordinance that are pertinent to the curtailment and management of infectious diseases such as notification, special inspections and offences.

The above measures by this Government are in keeping with the WHO standards and guidelines, and consistent with the basic need to protect the nation's health against all risks and dangers of emerging diseases. We have already instituted preventative measures which are the first response strategy in managing this virus and steps will be taken by the Ministry to continually update and alert the population.

At the Ministry of Health, it is our responsibility and duty to ensure that the population is protected from any public health risks. As indicated before, we have already instituted a precautionary measure and we are in a state of readiness in the event we have to treat with the virus in terms of isolation centres, quarantine facilities, health personnel, personal protective equipment, pharmaceuticals and other related resources to treat with the virus.

As Minister of Health the assurance is given to the population, through you, Madam Speaker, that the technocrats at the Ministry of Health will keep the population continuously informed and updated with relevant information concerning the novel coronavirus. The population is urged to take as valid information only what emanates from the Ministry of Health concerning the novel coronavirus. Thank you very much, Madam Speaker. [*Desk Thumping*]

Madam Speaker: Member for Caroni East.

Dr. Gopeesingh: Thank you very much, Madam Speaker, to allow me under Standing Order 24(4). Hon. Minister, is it the thought of the Government or the Ministry of Health to establish a task force incorporating the Ministry of National Security, the National Operations Centre and regional health authorities, et cetera, to come together to establish a protocol particularly when the incubation period of up to 14 days and thermal scanning has been rendered almost ineffective in patients who may have the virus? Would you consider that?

Statement by Ministers
Hon. T. Deyalsingh

2020.01.31

Hon. T. Deyalsingh: Thank you very much, Madam Speaker. Madam Speaker, the Minister of National Security will tell you we have been in constant contact over this very issue, and another note is before the F&GP to do exactly what you are suggesting, and the template is already there, but we are formalizing it under a graded system to respond to public health threats. Going back from 2009 when we had the H1N1 global pandemic, chikungunya, threat of Ebola, now this. So, I took a second Note to Cabinet on that and the template is already there, but we have gone even further than that. Thank you very much.

Madam Speaker: The Minister of Finance.

INSURANCE (AMDT.) BILL, 2019

Order for second reading read.

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

That the Bill to amend the Insurance Act, 2018, be now read a second time.

Madam Speaker, when I did some research on amendments to the Insurance Bill, they go way back in time. This Parliament and successive governments have attempted modernize and improve the regulatory arrangements for insurance companies for, I dare say, the last 20 years. If one goes as far back to 2003, there was an amendment Bill to the Insurance Act piloted by the then Minister of Finance, the hon. Patrick Manning, and in 2003, a major change was made transferring responsibility for the supervision of insurance companies from the Supervisor of Insurance to the Central Bank. That is a fundamental change. The post of Supervisor of Insurance was abolished at the time, and then a new post or a new responsibility was given to the Inspector of Banks, now the Inspector of Financial Institutions.

In 2007 again, the hon. Patrick Manning piloted a Bill to revise the limit on

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investment in equities by registered pension plans and also to put new arrangements in place with respect to how securities and other assets placed in a statutory fund could be dealt with.

In 2009, there was some minor amendments made by the then Minister, the hon. Nunez-Tesheira and then in 2011, there were a number of false starts under the previous administration. In 2011, the hon. Winston Dookeran brought an Insurance Bill which was intended to create a new regulatory framework. That Bill lapsed, it went to a joint select committee and lapsed. Then in 2013, Sen. Larry Howai brought another Insurance (Amdt.) Bill that went to a joint select committee and lapsed. Then in 2015, Sen. Larry Howai brought another Insurance Bill which went to a joint select committee and lapsed. So there were three false starts under the previous administration. In 2016, your good self, brought an Insurance Bill, it went to a joint select committee and was passed. To borrow a phrase from history, “Performance beats ole talk anytime”. [*Desk thumping*]

So, we put in place the new Insurance Bill and there was a particular matter that had to be addressed, which is how you tax insurance companies. But in the interim, the Central Bank took a very close look at the Insurance Act and asked the Ministry of Finance to hold its hand until they could do a comprehensive review of all related and associated matters that would be affected upon the coming into effect of the new insurance regime. The fundamental switch between the old regime and the new regime is that the Statutory Fund will now be abolished, and replaced by capital adequacy.

And to put it in very simple terms, in the current legislation, the legislation that is in effect, not the one that was passed, because that is waiting to be proclaimed, and we expect to proclaim that in February, the new Act. In the existing regime there is a fund called the Statutory Fund, into which assets are

placed—whether they are securities, cash, properties, bonds, whatever. Into the Statutory Fund, insurance companies are required to place assets equal to their liabilities. If the regulator does not keep track of the actual value of these assets in the Statutory Fund, as happened with Clico, then you could have a situation where an insurance company may collapse and then when policyholders look to the Statutory Fund to get compensated, you may find that the Statutory Fund is simply inadequate. That is what happened in the failed Clico debacle.

The whole world has moved away from this concept of a statutory fund, and now there is the concept of capital adequacy, and no longer do you need to have 100 per cent of your assets matching your liabilities, you now have to have 150 per cent. So that, the Inspector of Financial Institutions will now ensure that insurance companies have 150 per cent, and in some cases more, in terms of capital to match their liabilities. And it is now a very rigorous regulatory arrangement. But the Central Bank asked us and the Central Bank is in the process of treating with a mission from the International Monetary Fund that is doing an examination of financial systems in Trinidad and Tobago.

Last year the Trinidad and Tobago delegation went to the IMF spring meeting, and the Central Bank made a presentation to the IMF and asked for what is called an FSAP, an examination of our financial systems. The IMF agreed and the IMF has been evaluating the adequacy of our financial systems since then and a very important milestone is coming up within the next week or so, which is why we are doing this matter today so that we can meet the required targets for the Central Bank, so that it can comply with the assurances it has given to the IMF in terms of financial systems.

So, they have been reviewing this legislation that we passed for quite a long time and they are looking for duplication, anomalies, errors, oversights, omissions,

because even though it went through a rigorous process of examination by a joint select committee, and I must say, we got cooperation from everyone in that joint select under this administration. The other side cooperated so that is why we were able to finish it and bring it to the Parliament. It was a very long Bill. I think it had 250 clauses in it and the Central Bank has gone through it with a fine-tooth comb and has picked up a few matters that need to be sorted out.

So that this Bill that we are debating today seeks to correct some errors and anomalies in the Insurance Act, 2018. That is a very complex piece of legislation. It contains 282 sections, 12 Schedules, and 10 separate regulations. During the debates in the 2018 Act, in the Senate in particular, it was recognized that amendments to the Act should be made and this is really in response to comments made by hon. Senators in the other place.

Arising from those comments made by hon. Senators, the Central Bank did a review of the 2018 Act, consulted with industry stakeholders on the proposed new regulations because we were asked about that as well, so regulations have been circulated and discussed among all stakeholders. And now the Central Bank has recommended certain amendments. As I indicated before, the Act is necessary to bring the industry into the 21st Century, and this amendment Bill fine-tunes and hones the provisions of the framework the new regulatory framework for a safe, stable and growing financial sector.

I cannot emphasize how important it is, not just for the insurance industry, and to the buying public, but to the wider economy, to have relevant legislation and regulations to govern the conduct and trade of the insurance industry, comprising 12 life insurers, life insurance companies; 19 general insurers, general insurance companies; and close to 3,000 brokers, adjustors, agents, and salesmen. I cannot overemphasize how relevant the insurance industry is, and the pensions

industry because they are intertwined to our economy. These are long-term investments in projects, businesses and the country's infrastructure, and they facilitate sustainable growth and economic development.

I am advised that the assets of the insurance industry total \$48 billion as at September 30, 2019, and account for approximately 29 per cent of the gross domestic product (GDP) of Trinidad and Tobago. Assets under management for the pension sector total \$51.1 billion, and account for 31 per cent of our GDP. The combined assets of the insurance and pension sector is of the order of \$99.1 billion, of which more than one-third is invested in securities issued by the Government of Trinidad and Tobago. So, this is how the insurance industry is so intertwined with our economy, our gross domestic product, and the Government as a whole.

The implementation of the Insurance Act, 2018, is also crucial for the resilience of the financial sector. This will be reflected in the World Bank IMF, so it is a joint mission, Financial Sector Assessment Program FSAP report on Trinidad and Tobago which will come out shortly.

In the past, legislative gaps in our insurance legislation have been repeatedly identified as needing attention. Now, the Insurance Act, 2018, exists; a major fundamental transformation. But we will be assessed by the IMF World Bank in the FSAP the Financial Sector Assessment Program, based on our effective implementation of the new structure having enacted it.

This Insurance Bill amendment is a vital prelude to the proclamation and smooth operationalization of the 2018 Act. The Bill seeks to tidy up certain provisions. Now, there are a number of mixed group structures in Trinidad and Tobago whereby regulated entities such as an insurance company, and unregulated entities such as a real estate company, coexist in one group. These group structures and CL Financial Clico was just like that, you had co-mingling of

insurance business and real estate business, land development, et cetera. These groups make it difficult to assess the risk to which regulated entities are exposed. The Insurance Act, 2018, gives the regulator the power to require restructuring of business groups that engage in financial and non-financial activities, and requires them to form a financial holding company to hold exclusively the regulated financial entities in the group, such as the banking entities and the insurance companies. And if such legislation was in place at the time of the Clico situation, we may not have had such an adverse effect. What this new legislation does is forces conglomerates and groups to form a financial holding company, and put all the regulated financial entities into that holding company.

I am told that at this time there are five major mixed groups in Trinidad and Tobago, where each single group consists of both insurance and banking entities. The combined assets of the regulated entities within these five mixed groups are approximately one-third of the total assets of the financial sector, so you could see how important it is. Harmonization of the Financial Institutions Act and the Insurance Act, is especially critical for the supervision and oversight of financial groups which include insurers and banks or non-bank financial institutions.

This Bill proposes minor amendments to harmonize the 2018 Insurance Act and the Financial Institutions Act. For example, the definition of “control”, “controlling” and “significant shareholders”, the restructuring of related group companies, treatment of credit exposure, compliance directions, the regulation making power, and the participation of insurers in an alternate dispute resolution scheme to benefit policyholders.

Many provisions as I indicated earlier in the Bill, are also intended to correct errors in cross referencing, grammar and syntax. For this reason, I do not intend to traverse the Bill clause by clause, but just focus on the major amendments. Central

to the proper administration of the new Insurance Act, is a clear definition of “control” and “carrying on insurance business”. Clauses 6 and 11 of the Bill before us seeks to provide further clarification on what is the meaning of “control” and what is the meaning of “carrying on insurance business”. These are provided in section 6 and section 20(1) of the 2018 Act, the new Act. So, clauses 6 and 11 of the Bill treat with clarification, removing of ambiguity of the definitions of “control” and “carrying on insurance business” which are addressed in section 6 and 21A of the Insurance Act.

Another important aspect of the Act, is its application to regulated entities. Clause 11(b) of the Bill seeks to amend section 20(2) of the Act, to make it clear that intermediaries when conducting the business for which they are registered, will not be caught within the meaning of the term “carrying on insurance business”. So, you would have intermediaries within a group that have nothing to do with insurance, but they may have some—they may provide some service to an insurance company, and currently, they are required to be registered as an insurer. So, we are dealing with that to take out those intermediaries that do not carry on insurance business. They would no longer require registration.

A crucial power in the regulatory toolkit is the power to request information from persons exercising varying degrees of control over an insurer which is what Parliament agreed in the 2018 legislation.

Clause 8 of the Bill clarifies that the inspector can also request information from acquirers, so it is not just existing companies, but persons who wish to acquire a company. And that is referenced in section 11 of the 2018 Act.

In addition, for the first time the new Insurance Act will seek to restrict the use of words or any of their derivatives, or any other expression that connotes or is intended to connote insurance business. Clause 12 of the Bill seeks to amend

section 21 of the Insurance Act for clarity, consistency and the flexibility of the High Court to make appropriate orders in relation to breaches thereof.

Section 4(2) of the Financial Institutions Act introduced a similar restriction on the use of the word “bank” or any variation of the word thereof. And to simplify what that means, let me give an analogy with myself. I am a registered professional engineer. I have two engineering degrees. But there are all sorts of people in this country who call themselves engineers, some of them never went to school, but they call themselves engineers. It also happens in the legal profession where persons call themselves lawyers, but they have not been called to the Bar, and it happens in the medical profession, and I have heard the Member for Barataria/San Juan talk about this, all sorts of quacks, I think that is the proper definition, call themselves “Doctor dis and Doctor dat. No, no joke yuh know, it is no joke.”

Member for Caroni East, I know sometimes you are not paying attention. I started with engineers. [*Laughter*] Okay, so what this—and also there are persons who call themselves chartered accountants and they never completed. I have personal evidence of this, people never completed the ACCA, you know, and got the certificate but they call themselves chartered accountants. So there is a lot of that going on in this country, and now we are going to eliminate that as has been eliminated by the Financial Institutions Act. We are going to eliminate that with respect to insurance. So if you are not a registered insurer, you cannot call yourself a person that is carrying on insurance business. “Dat done”, and it should have ended a long time ago.

Madam Speaker, you would also appreciate that a smooth transitional process is essential for maintaining the stability of the financial system which benefits the insurance industry and Trinidad and Tobago as a whole. For that reason, clause 13 of the Bill seeks to amend section 22 of the Act, to clarify inter

alia, the stated capital requirements for composite insurance companies registered under the old Act, that are to be grandfathered under section 23 of the 2018 Act. And this is an important point. Because there are several insurance companies that will have some difficulty in meeting the specific requirements for capital adequacy, they are going to be grandfathered under section 23 of the 2018 Act.

3.00 p.m.

Clause 14 of the Bill amends section 23 of the Act in order to clarify the process for an insurer registered under the Insurance Act of 1980 to obtain a new certificate of registration, especially where the old certificate is lost or destroyed. And now, a very fundamental change, Madam Speaker—fundamental and important—under the 2018 Act, only companies incorporated under the laws of Trinidad and Tobago can apply for registration as an insurer. Prior to the passage of the Act, although it is not yet law, foreign companies could not register as an insurer in Trinidad and Tobago. That is now a thing of the past.

Clause 15 of the Bill amends section 24(2) for clarity—it makes it crystal clear—and deletes the reference to foreign company, which is no longer applicable, and this is a “tidying up” amendment.

Clause 17 of the Bill amends section 29 to match its intention that all insurers would have to meet registration requirements detailed in the Act on a continuous basis. Madam Speaker, it is paramount that registered insurers do not conduct business with unregistered persons or companies.

Clause 18 seeks to clarify this prohibition in section 30(1) of the Act, as well as introduce another exception to restrictions on business activities registered insurers may conduct, and this is necessary and I only discovered this recently, curiously. The Export-Import Bank of Trinidad and Tobago which is a Government special purpose company is, in fact, a registered insurer under the

1980 Act, believe it or not. When it started out, for some reason, it was registered as an insurer, but it does not really carry out insurance business and has not done that for a very long time, or at least nothing substantial in terms of insurance business. The amendments to subsections (5), (6) and (8) of section 30, and the introduction of a new section 13 in section 30, will allow Exim Bank to continue to fulfil its public function without contravening the 2018 Act.

Clause 20 of the Bill seeks to amend section 43(2) of the Insurance Act; for clarity, inserts a new subsection (3) which provides the inspector with the necessary oversight powers to ensure fair and equitable treatment of policyholders. This is consistent with the regulations which the bank consulted with the industry.

Clause 21 of the Bill amends section 44 of the Act to provide further clarity, especially for instances where an insurer may make a withdrawal from its catastrophe reserve fund. This is especially important as the 2018 Act now makes it mandatory for all insurers conducting property insurance business to establish and maintain a catastrophe reserve fund. Clause 21 also clarifies that an insurer may make withdrawals from the catastrophe reserve fund when it exceeds 120 per cent of its net premiums in relation to its property insurance business, providing that when it does so, it will not breach any of its requirements. This again seeks to clarify and make things crystal clear.

Clauses 22, 31, 72 and 73, which introduce a new section 48A and amend sections 64, 263 and 265 of the Act, serve to clarify when a vesting order would be applicable. A vesting order allows the transfer of assets from one company to another in a single legal instrument. The availability of this mechanism is particularly important for branches of foreign insurers who are now required to transition to companies incorporated in Trinidad and Tobago, and for groups which are a subject of mandatory restructuring under sections 47 and 48 of the Act.

Clauses 25, 26 and 27 of the Bill amends sections 52 to 54 of the Act to provide further clarity on the procedural requirements that apply to controlling shareholders, significant shareholders and acquirers of insurers in a simplified fashion. In order to integrate the procedural requirements of the Act within the Companies Act, clause 30 of the Bill amends section 63 of the Act to require insurers to file schemes of transfer approved by the Central Bank with the Registrar of Companies.

Good corporate governance creates an atmosphere of transparency and accountability. These principles are present throughout the Act, however, there are a few places where improvement can be made. Amendments such as those in clauses 13, 17, 35 and 52 which amend sections 22, 29, 69 and 116 of the Act, clear up those omissions and clearly define the role of the board and senior management in transition plans and declarations and what they have to submit to the Central Bank.

Clause 38 of the Bill amends section 82 of the Act to minimize the risk as far as possible during the transitional capital ratio period of five years, and this brings me to another point. There is a transition period, because this is brand new where insurance companies are moving away from this statutory fund concept to this capital advocacy concept, so there is a transition period, and everything needs to be crystal clear or as clear as possible during that transitional period post-proclamation.

A central premise of the 2018 Act is the concept of risk management and mitigation. One way to achieve this is by imposition of concentration limits on credit exposures incurred by insurers. Section 89 of the Act provides that an insurer shall not incur credit exposures to a person in excess of 25 per cent of its capital base, and the person in this case should also be a corporate person.

However, section 89(1A) of the Act, provides for an exception to this prohibition in relation to a credit exposure that is fully guaranteed by the Government of Trinidad and Tobago. We did this recently for banks, a similar thing. The provision as currently worded, did not provide conditions for that the guarantee had to meet in order for it to qualify for the exception as it does under the Financial Institutions Act. As I said, we did it for the banks. In this regard, clause 41 of the Bill amends section 89(1A) of the Act to introduce criteria that the credit exposure must meet in order for it to be exempt from the limits.

Clause 42 of the Bill also amends section 94 of the Act to clear up any ambiguity regarding exposure limits in relation to the directors, officers of insurers and their relatives. A typographical error in respect of the application of temporary cover to life insurers to reflect the current status quo is corrected in clause 43 which amends section 92(1)(c)(i).

Madam Speaker, clauses 46 to 47 of the Bill amends sections 101 to 107 of the Act to clarify the priority and source of funds for the payment of the cost of suspension on winding up. The 2018 Act also introduces for the first time, the concept of provisional certificates of registration for sales representatives that do not have the educational qualifications necessary to be considered fit and proper for registration but have been endorsed by their principal. I was looking around for the MP for Laventille. He used to be an insurance salesman. The Act currently makes provisions for insurers and brokers to endorse their sales representatives which would allow them to work in a limited capacity under the direction, control and supervision of a registered intermediary.

Clause 51 of the Bill introduces an amendment to provide for the equal treatment of sales representatives of insurers, agencies and brokerages by allowing sales representatives of agencies to also apply for a provisional certificate of

registration, and this is to assist persons who may not meet the strict educational qualifications, but can work under supervision of a certified person, and that is the industry. The industry would have quite a few people like this.

Clause 55 of the Bill inserts a new subsection (5) in section 136 that specifies that the financial statements of the agencies and brokerages are to be audited by an auditor that is fit and proper and a practising member in good standing with ICATT or such other professional association approved by the Central Bank. This is very important. There are auditors who do not meet the fit and proper requirements, who may have been auditing insurance companies and agencies in the past and that has to come to an end. It is very important to be explicit. Let me repeat this, that clause 55 amends section 136 and specifies that the financial statements of agencies and brokerages are to be audited by an auditor that is fit and proper and a practising member in good standing with ICATT or such other professional association approved by the Central Bank.

Clause 57 amends section 155, just for clarity, because the language in section 155 is a bit too broad. It was felt that the Inspector should not be allowed to issue compliance directions for the violation of any provision of the law—that is how it is written—but only those related to the regulation of financial services or designed to protect against fraud. This is a far more objective use and exercise of the Inspector's power to issue compliance directions.

Clauses 68 and 71 amend sections 251 and 255 to rectify the ambit of prosecutorial proceedings brought under the Act to include all relevant regulated persons to which the Act applies.

Clause 76 which amends section 281, refines and makes clearer how branches of foreign insurers are expected to reorganize their business to come into compliance with the requirements of 2018 Act. Let me emphasize what will

happen is that foreign insurance companies will now be required as of law to incorporate a company in Trinidad and Tobago, and that is to protect our citizens. So that if policyholders find themselves at risk, at least, the asset are here and not elsewhere as has happened with British American and some other examples that I can give.

Madam Speaker, at the beginning of this presentation, I spoke of the need for harmonization between the Financial Institutions Act and the Insurance Act, 2018. It is essential to ensure among other things that the Central Bank regulates the constituent members of financial groups in the same way, because that will include a combination of insurance companies, banks, non-banks, financial institutions, et cetera.

Another example is at clause 67, and this is an example of harmonization. Clause 67 introduces a new clause 250A that provides for insurers to enrol in an alternative dispute resolution scheme approved by the Central Bank. Insurers already participate voluntarily in the ADR scheme administered by the Office of the Financial Services Ombudsman. It is currently a requirement for licences under the Financial Institutions Act, so that it should not be too onerous that they have to do this, now enrol in an alternative dispute resolution scheme.

Another aspect of the regulatory scheme introduced under the 2018 Act is the ring fencing of the financial entities in a group of companies. In order to ring fence the financial entities, mixed groups will have to restructure—and this is very important—placing the financial entities under a financial holding company and allowing the resulting structure to be supervised as one entity.

The 2017 joint select committee which I chaired, was of the view that restructuring under section 47 of the Act should not be subject to stamp duty and we agree. If we are forcing companies to place their assets into a holding company

to protect policyholders, among other things, we should exempt them from stamp duty because we have forced them to do that, and that would be stamp duty in placing the assets into another entity. Considering that restructuring under sections 48 and 281 of the Act will also be mandatory, the automatic exemption from stamp duty should also extend to all forms of mandatory restructuring because we are forcing companies to do this. It is not voluntary. Clause 73 of the Bill amends section 265 of the Act to make provision for stamp duty exemption for all forms of mandatory restructuring under the Act.

The power to make regulations is an important step in the process of operationalization of the legislation. The Insurance Act, 2018, as currently worded, contains a brief and rather wide-ranging power to make regulations. It was felt that the language of the 1980 Act provided better guidance on regulation making powers. In this regard, clause 75 of the Bill amends section 279 of the Act to introduce a non-exhaustive list of matters for which the Minister may make regulations. These provisions were crafted by combining the 1980 Act, similar provisions in the Financial Institutions Act and adapting them to make them consistent with the 2018 Insurance Act.

Sections 184 and 185—and I would perhaps need some assistance from the AG on this one—propose to amend the Married Persons Act. There was a view that those provisions should not be proclaimed until Parliament has had an opportunity to interrogate, more comprehensively, the effect of the proposed changes to the law as it relates to married persons. Clauses 77 and 82(a) of the Bill address this matter.

Finally, Madam Speaker, clause 82(b) introduces a few consequential amendments to section 56(1) for the Central Bank Act for avoidance of doubt on the protected status of information received from trustees and beneficiaries and

privately administered pension fund plans. In the same way that the Insurance Act reflected the implementation of the insurance core principles of the International Association of Insurance Supervisors, the amendments to the Act that form part of this Bill also complied with the core principles of that association.

We believe, Madam Speaker, the time is long overdue to bring our insurance industry into the modern era and this regulatory framework that we are now almost at the end of creating is critical for maintaining a stable and growing insurance sector in Trinidad and Tobago that engages in safe and sound practices, is fair to policyholders and can successfully weather the financial crisis with minimum disruption. Madam Speaker, I beg to move. [*Desk thumping*]

Question proposed.

Dr. Bhoendradatt Tewarie (*Caroni Central*): Thank you. Thank you very much, Madam Speaker. This Bill before us, a Bill to amend the Insurance Act, 2018 is an important Bill given that what we are amending substantially is a Bill that was passed in both Houses some time ago, and we are making significant amendments to it. I think it is 73 amendments to the actual Bill itself, which is a large Bill as the Minister said, and one amendment to the regulations. So we have 73 amendments here to that very large Bill, and the Minister went through some of the amendments. I thought that he presented the Bill very soberly and I appreciated that, but I would like to make some general comments, and then it is impossible to deal with all the amendments in the Bill in one contribution. So I will highlight one or two things that I think are matters of concern or to raise questions.

Now, Madam Speaker, as you know, in 2009 and continuing well into 2012 or so, we had a crisis in Trinidad and Tobago with a major insurance company, Clico. That insurance company, at the time, had the largest marketshare, but also with its holding company, CL Financial, had a range of assets in energy, real estate and

other services, mostly financial services, as well as Republic Bank, a major bank in the region even then and a major and growing bank.

Now Clico, at that time, had commitments to customers that it found itself at a point unable to honour. The holding company also found itself in difficulty with low global energy commodity prices, more particularly methanol, and in the middle of a real estate crash triggered globally but, more particularly, in the US market by derivatives, by derivative investments built on the home mortgage market which itself had been built on over-lending and poor risk management.

So, CL Financial and Clico were hit simultaneously by an energy crisis, a real estate crash, a financial crisis, all globally triggered, and when the Central Bank began to worry about Clico and CL Financial's ability to withstand the triple whammy, they found also the statutory fund, a requirement of all financial institutions, to be largely hollow and very deficient in the case of Clico. That crisis took years to manage and required direct Government intervention and Central Bank management. There was need, therefore, for reform of the financial sector and that became clear, and there was also need for a more effective regime for monitoring the financial health and sustainability of insurance companies. That matter, therefore, became urgent.

Now, in 2008, 2009, very large corporations, financial and other companies in the United States had to be bailed out, and in Trinidad and Tobago Clico with its Caribbean reach also had to be bailed out and that is how we ended up, Madam Speaker, with the 2018 Insurance Bill, and that spanned, as the Minister said, from 2011 to 2018 through various iterations and through various committees, including joint select committees of Parliament to finally be passed with bipartisan support.

Many versions of the Bill came to Parliament before the 2018 Bill was actually passed. Even though this Bill has been passed, Madam Speaker, it has not

been proclaimed, and the Minister indicated today that proclamation will likely come in February. So we take note of that, because the Bill, of course, has no functionality unless it is proclaimed.

Today, we are here to make amendments to that 2018 Bill, and as I said, there are many of them. This is the prime function of the Bill that we are debating today. It raises the question, therefore, whether there was enough consultation with the industry before the 2018 Bill was brought to the House. I am not sure if there was. I am told that for these amendments there have been some consultations, and the Minister in his outline and presentation of the Bill talked about the fact that issues were raised in the Senate which were then looked at by the Central Bank, which then looked at the Bill again and drove the Bill to the point where it is coming here with these amendments.

Now, the main objectives of the 2018 Act, Madam Speaker, are very clear. The Minister outlined some of them. First of all, if you had a situation where a major insurance company got into difficulty, posing a threat both to itself and the financial system, then some reform of the regime related to insurance companies and the financial sector is necessary. So this Bill and the 2018 Bill—these amendments and the 2018 Bill focus on regulation of the insurance business. It also focuses on regulation of privately administered pension funds and it tries to strengthen the Central Bank with effective regulatory oversight and capacity for intervention of both a preventative kind to prevent something from happening and also of a corrective nature to intervene if you see something is going wrong.

It also improves public disclosure of companies with the hope of promoting and improving market discipline. The Minister mentioned the issue of the importance of public disclosure. But since that time—I began in 2009 and took us up simply highlighting one or two things up to 2018—the insurance industry has

also been transforming, Madam Speaker. The financial sector has been evolving. With Clico diminished, Sagicor and Guardian Life are the big players here in the insurance industry.

Republic Bank is engaged in a major expansion throughout the region. Mergers, acquisitions and takeovers are likely to be the scenario going forward. Jamaica did major reforms in the 1980s before us because they had their own crises there. Barbados has always been strong in the financial sector. We are doing the necessary reforms here now which will strengthen us here. So the whole scenario in the Caribbean is changing and, indeed, the nature of the financial sector, the industries within it and the insurance sector itself, all of these things are changing, and I wish to ask the Minister of Finance whether there are any specific clauses in this Bill which take into account, specifically, the issue of acquisitions and mergers in this country and the region.

And I know that he mentions clauses in the Bill which are clearly meant to deal with the question of acquiring one company or the other, or disaggregating a company that has more than finance within its portfolio and establishing within a single holding company, the financial sector, but I am asking this particular question here, if there are any clauses in this Bill which speak specifically to the issue or issues of acquisition of one company by the other and how this would be treated. I know that provisions are made for transition in the Bill, but I raise the question anyway to get a specific answer to that question.

3.30 p.m.

Now, there are other specific important changes that we need to take note of, Madam Speaker, that are meant to make the insurance industry more robust and I know that the objective here, and we support this, that the objective is not just to make the insurance industry more robust but the company stronger and more

resilient and more compliant with international standards. The Minister did highlight some of those issues. He spoke of the elimination of the Statutory Fund requirement and this has, in a sense, addressed what we might call a flaw in the governance of the industry and in the governance of individual companies by the regulator, which in this case is the Central Bank. But from the point of view of an insurance company it has also eliminated a cumbersome bureaucratic process, that is to say the Statutory Fund itself and its requirement created problems both for the company as well as for the management of the efficacy of these companies that were basically taking deposits from people for various financial purposes.

So this represents, that is to say the elimination of the Statutory Fund, this represents a general improvement all around. This law also establishes the principle of risk-based capital as the Statutory Fund requirement is eliminated, and this is regarded as a more enlightened approach because risk management and risk assessment generally, and the management of risk seem paramount today in any serious undertaking that anybody is involved in. It is not just business but anything you are doing, you want to assess the risk, you want to manage the risk before you take the necessary steps. Now, I think the elimination of the Statutory Fund and a risk-based approach to the management of insurance companies also makes the Central Bank happier. It eases bureaucratic burdens on them, it eases bureaucratic burdens on the insurance companies themselves, and I think insurance companies are also happier because managing risk is their business so adding this onto it is simply in keeping with what their business is about. So they are likely to prefer a risk-based capital approach.

Now, the insurance industry and the individual insurance companies through this legislation will be more tightly regulated, Madam Speaker. First through the regulations themselves and, secondly, through the power of the Inspector of

Financial Institutions. Now, this is important, it means that the regulations therefore and what they cover, and that is covered in the amendments here, are very important. And, secondly, the power of the Central Bank that is issued to what is essentially the regulator of this particular industry, that is to say the Inspector of Banks, is also important. Now, one of the aims of the 2018 Act is facilitating compliance with international standards and aligning our industry with a global regime of regulatory oversight, and also to create a globally anchored insurance business and a stronger financial sector generally in Trinidad and Tobago.

Now, we debated this 2018 Bill for which we have these 73 amendments—74, I think, amendments not so long ago, and when I contributed on the Bill then, Madam Speaker, in this honourable House I did speak of the risk-based approach which is central to this as the Minister of Finance indicated, but I spoke especially about the role of the inspector of insurance companies, inspector of the financial sector really, the importance of stronger regulations and the alignment with the international standards which are very important, and I spoke about that in relation to the need to manage this financial sector effectively, because so much else depends on if your financial sector is weak. I was glad to hear the Minister of Finance say that the World Bank and the IMF are looking at systemic risk and the entire system, because some of the reports of the IMF over the last year, two years or so, have in fact indicated that there is need to look at the system to make sure that there are not weaknesses and vulnerabilities in the system that we ignore to our peril. So I am glad to hear that because it is important for the financial sector to be strong.

But when I spoke about these things on the last occasion, Madam Speaker, I raised it in the context of development of Trinidad and Tobago because the reason

you have a strong inspector of financial institutions is to make your companies and your industry strong and competitive in the world. The reason you comply with international requirements, again, it is to make your industries here competitive in the world and compliant with the best systems in the world. And the reason you move from Statutory Fund to risk-based management is to bring it into the modern age, as the Minister himself mentioned, and to give strength and purpose and competitive capacity to these industries. In other words, the whole purpose of strengthening your industry, whether insurance or banking or the financial sector is to facilitate growth, expansion and exports. That is why you want strong companies, that is why you want them to grow, that is why you want them to get bigger, and that is why I raised the question of acquisitions, et cetera, which are part of our current environment. But, Madam Speaker, what this means also is that, in addition to the regulation and compliance, any regime governing the sector needs to be alert to the commercial imperatives and the export possibilities of the sector, and I say this in terms of the development of the financial sector here.

After all, a vibrant financial sector doing international business, exporting services, operating in other jurisdictions will earn foreign exchange because the financial sector does have the potential to do that. Our economy has been built on energy and we have a base of manufacturing that we have built, both in energy and in non-energy. We have a range of services and the dominant most powerful sector of those services are in fact the financial services sector. So we have the potential to build an industry there that is export-oriented with the capacity to earn foreign exchange which we need very badly in the country at this time. Now, to do this well we need an export-oriented sector, not just well-run local companies. Now, I think this is where the regulations, the administering of the regulations and the role of the inspector of financial institutions needs attention, and I raised this

with the Minister because it is not just a regulatory thing to keep them safe and secure but to also give them the commercial possibilities for expansion.

While these must be by their very nature, while these must impose restraints, that is to say the regulation and the Central Bank control, they must also create commercial and entrepreneurial space for these companies. We need as a country the clarity, the robustness, the strength and effective capacity of the regulatory regime, because if we do not have that we will not have the strength of the sector. That makes the industry not only stronger and more compliant but more competitive in the world, Madam Speaker, because they are forced to be better, the companies, more effective so a well-regulated insurance industry also makes the local market more attractive for investors. And in other jurisdictions, as exporters of services, it gives comfort that companies operating here, regulated here and anchored in our domain are well regulated and meet international standards and management competence and performance.

So the strengthening the sector here is important both for our companies being able to export and go abroad, but it is also important for the investors coming here in this same industry. And the Minister mentioned—I wanted to get up and ask him a question, a simple question really and maybe he could answer it. He half answered it because he did speak to one issue which is that, we want the foreign investment here as well in the financial sector because that makes it more buoyant, more competitive, more attractive, perhaps more lucrative depending on what happens in the sector. Does the fact that we ask the foreign companies to establish themselves here as Trinidad and Tobago companies, does that give the Laws of Trinidad and Tobago sole jurisdictional authority over these companies? I ask the Minister that as a direct question or maybe the Attorney General might want to address it because it is an important consideration.

Now, the companies, as I said, also need flexible space and appreciation of the climate and context and the needs of companies from regulators and the regulations in order to compete aggressively to win new business and markets outside of our jurisdiction. Lack of a supportive climate for investment, growth and exports will force companies to establish bases and anchor themselves in more competitive domains and jurisdiction, and that is why I am raising that issue also because if the climate is not here that will allow companies anchored in Trinidad and Tobago to be able to grow outside and to meet the requirements here, then many of them may look to other jurisdictions in order to establish their base to develop markets there, and I do not think we want that as a country. We want to make here attractive enough that they will do all their business here, because we have that challenge now in the manufacturing sector, for instance, where companies feeling that this may not be the most competitive environment or that the support for business is not strong enough are willing to establish businesses elsewhere and export back to Trinidad and Tobago, and therefore we need that strength to work for us in terms of business and business growth.

Now, there are 73 amendments to the Insurance Act of 2018 and one amendment to the regulations, and I want to ask—the Minister said that getting the job done in 2018, that is to say getting the Bill passed, was “performance beats ole talk”; you may say that but you must then ask a question why you need to come back less than a year later with 73 amendments to the Bill. So I do not want to get into those kinds of things but I simply ask the question because if that 2018 Bill was perfect, we would not be here today. It also raises questions, you know, Madam Speaker, and I want to raise this, about the entire effectiveness of the legislative process, because from 2011 to 2018 we are dealing with this Bill. We go through several joint select committees, we go through debates, and ultimately a

committee of the whole would have seen to the business of the 2018 Bill and we are only now here in 2020, trying to get this Bill right because we did not get it right up to now, because if we had gotten it right, perhaps the Minister would have had the Bill proclaimed already.

I want to address some of the amendments in the Bill. I would not address all the amendments. It does not make sense to do that, but one is the significant shareholder which is based on the issue of 20 per cent—not shareholding it mentions here, but 20 per cent voting power because that is the criteria that is used in the Bill. So I simply mentioned that 20 per cent as the figure which identifies the shareholder as a significant shareholder which is a 20 per cent voting power. I want to address the issue of connected party and connected growth. This is important because it has implications not only for the insurance companies but for the entire financial sector. So, for instance, if the Government of Trinidad and Tobago is a more than 20 per cent shareholder in any financial institution in Trinidad and Tobago, does that make the Government a connected party and would that then subject the Government to the laws that govern the role, responsibility and action of the Inspector of Financial Institutions in the Central Bank? I asked that question because it is very real in Trinidad and Tobago given the fallout from the Clico operation, the establishment of NIF in Trinidad and Tobago and its implications for related party transactions.

Madam Speaker: Member for Caroni Central, your original speaking time is now spent. You are entitled to 15 more minutes to wind up your contribution.

Dr. B. Tewarie: I thank you for the few minutes, I will raise some issues. [*Desk thumping*]

I want to also speak to the power of the Inspector of Financial Institutions because he has a lot of power. I remember when I made the contribution on the

occasion of the Bill itself, the debate on the Bill, I pointed out that in fact all the power resided not so much in the Central Bank but in the specific person and office of the inspector of financial regulations, and that is a fact, and these amendments in fact strengthen that role of the inspector of banks. The reason I am raising this is because I really did not know who the Inspector of Banks was so I went on Goggle to find out, and when I went on Goggle to find out, I found out that the Inspector of Banks is a person by the name of Patrick Solomon, a famous name but a different person, and there is nothing wrong with that; that is fine. I found out also that Patrick Solomon had replaced Mrs. Michelle Chong Tai-Bell who was in fact the Inspector of Financial Institutions in the Central Bank up to the 1st of January, 2018, but that Mr. Patrick Solomon is acting. And then I saw there was an advertisement by the Central Bank in the newspapers of Trinidad and Tobago indicating that pursuant to section 7(8) of the Act it further notifies the public that Mr. Patrick Solomon was appointed to act temporarily as Inspector of Financial Institutions.

The reason I raised this is because we have an acting Inspector of Financial Institutions, Madam Speaker, and we have that person. That was the case before him. After Carl Hiralal left, that was the person who retired from the post, and we had an acting person, and now we have an acting person again and I want to raise the issue, if this is such an important institution and the financial sector is so important and we want to strengthen the industry, and we make umpteen tries to file legislation here and pass it, and we are coming here again to make 74 amendments to the existing legislation, [*Desk thumping*] should we not try to regularize that situation? I raised that on the last occasion. We need to have, first of all, a person who is not acting. I do not know if the person needs to be the person who is there now, whether they have to advertise for a post, whether they

have to secure somebody by some other procurement means, but what I do know is that you need a permanent independent person to carry out that role. [*Desk thumping*]

Madam Speaker, I hope the Minister will say something about this because this is not an intention to cast any aspersion on the person, I do not know the person at all. I did not look, I did not—anything, but all I am saying is that we need to solve this problem, I mean, for the sake of the integrity of the institution, for the integrity of the system we are trying to protect because remember we are trying to regulate and protect this. And, thirdly—I mean, in order to do that you need to have a person in the role who has the autonomy, the authority, et cetera.

The Bill through the amendments also attempts or takes steps to strengthen the confidentiality arrangements for privately administered pension funds, clause 10, I think, and I feel that that is a good thing. It needs to be done, they are as important. The Minister mentioned the number, \$50 billion, I think he said; it is a big business, it is an important business, it has privacy implications and that is a good thing. But I want to ask something about—these amendments also establish what an insurance business is and it goes into detail to explain it so that you could not be a fly-by-night insurance entity, I suspect, is what the Minister is trying to protect and that is a good thing, we have no problem. But I want to ask, in the curious situation of Trinidad and Tobago where you have a cooperative sector, you have a credit union sector, et cetera, and again I am asking through you, Madam Speaker, the Minister of Finance, if you have a cooperative in Trinidad and Tobago and you create the conditions in which savings in that cooperative can accrue for a specific purpose playing the role of savings for the purpose of insurance of something, whether it is health or anything else, would that cooperative be able to do it as a cooperative operating under its own laws and rules or does that then take

the cooperative or institution of that kind into a sphere where it must stop doing that as a financial institution and seek to have its customers and its cooperative members go elsewhere to do it with an insurance company.

It is a question I feel needs to be answered because I feel that the other systems that we have in the country allow you to do things like that, but that this law would create a problem for institutions such as that. So I need the clarity, I need the clarification, and I feel it is something that it is worth paying attention to. I do not think it is a very big issue, it is not going to affect this legislation or the passage of the legislation, but I wonder if something like that has been thought of as we prepared the legislation to strengthen the insurance sector, because, as you know, there have been several attempts to strengthen both the credit union sector and the cooperative sector, Madam Speaker.

The law also makes provision for re-registration. In other words, if you are going to start over as an insurance company, something has happened and you are going to start over, you have to meet new terms and conditions; I agree with that, and generally clause 14(a) and (b) make for good order with new certificates of registration, et cetera. I think it makes for a certain cleanness in the legislation and I think those are positive things as we go forward. But I have a problem with one clause I saw in 14(b), you know, and I do not mean this as a joke, I think it is really something that, I mean, I might ask, maybe the Minister will think it is not serious but on page 11, clause 14, it says:

“(1A) An insurer registered under the former Act shall submit its certificate of registration issued under the former Act to the Central Bank for cancellation.

(1B) Where the certificate of registration of an insurer under the former Act has been lost or destroyed, the insurer shall submit a statutory declaration

stating that its certificate of registration has been lost or destroyed and the circumstances of the loss or destruction.”

Now, I would have a problem with a company that lost its registration certificate, you know, Madam Speaker, because if you cannot even protect your certificate of registration in good order, I do not see how you could be seriously taking people’s money to be in the insurance business, and I am not—

Mr. Hinds: Would the Member give way?

Dr. B. Tewarie: Yeah. Okay.

Mr. Hinds: I have taken note of the point that you have just raised about a company that has lost that important document, what about chairing a company that had lost its way and its mind and lost millions of shareholders and depositors money?

Dr. B. Tewarie: I made an error in giving way. I gave him more credit for talking sense than nonsense and I am sorry I would say that. [*Desk thumping*]

4.00 p.m.

Clause 17 is basically about compliance; that is good, you need to have that. In closing, Madam Speaker, because I know I have just a couple of minutes more, I simply want to say, and the Attorney General probably has this too, it is a document from ATTIC, which is the Association of Trinidad and Tobago Insurance Companies, in which they raised a number of issues that need further attention in the amendments to the Bill. One has to do with unclaimed money and the redefinition of some of those things.

The second one has to do with what “legally payable” means. So unclaimed money is an issue, legally payable is an issue. The third has to deal with the appropriate beneficiary, and they ask a number of questions here. I would not raise the questions and put them on the record here, because I just do not have the time.

They ask for resolution of these issues or possibly more consultation with the industry in order to resolve it.

The final issue that they raised has to do with the Schedule— Schedule 12 of the Act, which they say has the potential of creating tension for clients in the case of a divorced couple because of the way that the rules are outlined in the Bill. I think— and I recommend to the Minister of Finance, and more particularly in this case, the Attorney General—and I think the Attorney General has a copy, right?— if he would attend to those, I think they would be valuable.

I raise the issues that I have raised in this contribution this afternoon in good faith for these amendments which I think are largely valuable, and help to strengthen the Bill, but the questions I asked, I hope that I will have answers to and I am grateful for the opportunity to contribute on this Bill.

The Attorney General (Hon. Faris Al-Rawi): Thank you, Madam Speaker. It gives me great pleasure to contribute to this particular Bill before us. This Bill is, in fact, an Act to amend the Insurance Act, 2018. It was published on 5th of December, 2019, in the *Gazette*. It is Legal Notice No. 22 of 2019, and there are a number of provisions set out in the 82 clauses of this Bill, which can quite conveniently be categorized into three simple headings.

The Bill is essentially for three purposes. One, to provide clarity for implementation and reduce ambiguity in terms of statutory interpretation. Two, for the harmonization with the Financial Institutions Act, Chap. 79:09, to avoid regulatory arbitrage, and three, for certain editorials which are necessary.

Now, Madam Speaker, the Minister of Finance put on to the record the history of this particular law. In fact, we started this parent Act. The original Act that we are amending is an Act of 1980. We now stand in 2020, 40 years post, and indeed have watched the rest of the world, in particular Barbados in the Caricom

region, Jamaica, accelerate past us, but it really was not until the effect of the Clico collapse which happened in an environment where there were international collapses, be it in the United States stock market position or elsewhere. When we looked at that effect the HCU, the Hindu Credit Union, and the Clico collapse, the risk to policyholders became a very central focus for the Parliament and for the Central Bank of Trinidad and Tobago.

Indeed, on this side, both Minister Young and I have spent a significant amount of time involved in litigation in companies. I myself have served on an insurance company as a director for approximately 11 years. I did serve as a director of the Clico Investment Bank for about seven to nine months prior to that collapse, and I participated in the litigation which ensued from the Clico collapse.

Certainly, over the course of the last 10 years in Parliament—I cannot believe I am actually saying that now, 10 years in Parliament—I have watched the passage of this law from 2011 straight to 2020. It took a considerable amount of effort—and I would say this—on the part of all. Certainly then government in the UNC, the PNM Government now, but the very hard-working persons at the Central Bank, the Securities and Exchange Commission, the offices that had the regulatory input factor, and the consultants that assisted us with this exercise. I put on record, in particular, the consultants who participated throughout the course of the industry's growth in 2011 onward, and very importantly, the stakeholders themselves.

Now, the Member for Caroni Central asked the question whether this Bill was subject to and whether the Joint Select Committee that birthed the 2018 law was subject to the industry's participation and consultation. I would just like to obviously point out for the record that the Joint Select Committee heard on all of the sessions from the stakeholders in the industry themselves, be it the insurance

companies, the brokers, ATTIC, the Association of Insurance Companies, the association for the brokers, the consultants in the industry, the Law Association, the Central Bank and the TTSEC. We heard from all of the stakeholders inside, and we in fact heard from the external providers of insurers, and by that I mean the association of markets, and I am referring specifically to Lloyd's as an underwriting association which provides significant benefit for the insurance industry in Trinidad and Tobago.

Let us take this debate, through you, Madam Speaker, to the common person in Trinidad and Tobago, to the man who we seek to pass the laws to protect today, because it is a complicated area. What is insurance? It is the business of risk. The business of risk is large. Calculating how to make money as a company or as a broker in the context where you are wondering: How does a premium cover a loss? How does reinsurance work? What happens if you have a catastrophe or a disaster? What happens if you have a large-scale event?

The industry services 27 per cent contribution to our gross domestic product—27 per cent contribution. It employs thousands of people. In the brokerage aspect alone, nearly 3,000 workers. Put quite simply, the Insurance Act—and I am going to stay away from now the hackneyed debate on this type of law—came up with a different structure to ensure that the capital or substance standing behind an insurance company was adequate enough to cover a loss. The policyholder is interested in coverage in a timely fashion. They want to know that the regulator is paying attention. Those who are regulated want to know that there is rhythm and transparency in the mechanism, and therefore, I pay compliment to the Minister of Finance in particular, and to all the members of the Joint Select Committee that have served over the last nine years in trying to get this law done. But it was really under this Minister of Finance that the operationalization of this

law took effect, and let me explain why.

This law, the 2018 law, cannot be proclaimed unless number one, you deal with the issue of taxation of the insurance company. Number two, unless you have the regulations that govern the industry, and number three, unless you sit with the stakeholders and go through the inconsistencies in the financial laws that impact the insurance industry, particularly where they are in a consolidated group setting. What do I mean by that? A large company may very well have a diverse portfolio vertically integrated, horizontally run where they are in multiple services: Banking, insurance, property development and other services. Many of our local conglomerates, if you look at the ANSA McAL group which has Tatil, if you look at Guardian Life, if you look at Sagicor, if you look at any of these large players in our own jurisdiction, there is Massy Holdings as well, there are multiple examples, common names known to all of industry players, and the average person in Trinidad and Tobago that say, “Look, this is a large issue.”

Now, why I paid compliment to the Minister of Finance is specifically because we took a very organized approach as a Government to birthing this law. Indeed, it is a combined effort between the Attorney General’s office and the Ministry of Finance, the several Ministers that sit in participation there, together with the teams from the Central Bank and the stakeholders sat in consultation. And very importantly, I would like to put on to the record today that we have birthed the following regulations. That was the second point I referred to a while ago. The Insurance (Capital Adequacy) Regulations, 2019; the Insurance (Caribbean Policy Premium Method) Regulations, 2019; the Insurance (Financial Condition Report) Regulations, 2019; the Insurance (Participating Account) Regulations, 2019; the Insurance (Approved Securities) Regulations, 2019; the Insurance Companies (Registration) Regulations, 2019; the Insurance (Pension

Fund Plans Registration Fees) Regulations, 2019; the Insurance (Pension Fund Investments) Regulations, 2019; the Insurance (Intermediaries) Registration Regulations, 2019; the Central Bank (Payment of Supervisory Fees and Charges) (Amdt.) Regulations, 2019. Very importantly as well, Madam Speaker, to put on to the record, and you will recall, it was not until last year in December 2019 that we passed Act No. 23 of 2019, where we brought specifically via clause 4, now section 4, the amendments to the Corporation Tax Act to provide for the taxation of the insurance industry.

Why are these two things relevant? Because you cannot operationalize the law without the regulations, without the transparency, without the rhythm, nor without the understanding of the exposure of liability to taxation. That therefore takes us to the need to speak to what we are essentially doing today.

Now, effectively we have got 82 clauses on deck today, and a large part of the 82 clauses is for consistency, for cross reference change. We effectively sat, certainly at the Law Revision Committee, my good colleague, Minister Mitchell, Minister Hinds, the chair of that committee, Sen. Rambharat, the Attorney General sitting on that as well. We sat with the Central Bank team for quite some time. We ran through clause by clause, and we had to make sure that the law was operationally sound. Indeed, it was through the fine tooth comb approach that the inconsistencies in cross-referencing were observed, that is really par for the course, but more importantly, we wanted to bring the law into constitutionality.

It was after we produced the regulations—and I would like to stick a pin here—the regulations were brought to the Joint Select Committee. All stakeholders were invited to give submissions on the regulations. The Committee received the commentary coming back. We sat as a committee and we considered the regulations. So I want to assure the population, through you, Madam Speaker, and

this honourable Chamber, that not only is the Bill before us necessary, but we have done the homework and consultation on the regulations.

Coming out of the regulations we needed to make sure the law was not ultra vires. There were certain conditions in the regulations which really ought to have found themselves in the parent Act, meaning we ought to make sure that the lawful springboard for the law came from the Insurance Act, 2018, and not from the regulation, lest somebody were to challenge the constitutionality of the law and cause it to fall into difficulty.

Madam Speaker, I can say that apart from cross reference, apart from vires versus ultra vires, or making sure that it is constitutional, we wanted to ensure that certain headlights, if I could call them that, were properly in focus. Obviously, the issue of the approval of an insurer or a brokerage plan for increasing stated capital, how we manage the transition from the 1980 insurance law to the new 2018 law, the transitional provisions as you relate to disclosure of your capital adequacy, disclosure of your catastrophe fund, the manner in which that fund can be reduced, if at all, in a five-year period, those matters had to be carefully considered.

Another headlight, of course, was to ensure that we introduced the mechanism of alternative dispute resolution. In introducing mandatory alternative dispute resolution, and in relying upon the constitutionality of that approach on a proportionality principle, we have ensured that the policyholders are able to achieve benefit by the avoidance of litigation, because litigation obviously is quite expensive. And for anybody who has had an accident, a running down claim, a loss in insurance, the cost of litigation might very well erode the benefit that you are going to receive.

Further, Madam Speaker, there is another headlight, and I will go into greater detail as the Minister of Finance has asked me to do, with respect to the

concept of the married persons. I do take the opportunity to address the concerns of ATTIC, and I will go into some detail on that in just a moment.

The last point that I would like to make in terms of headlight focus is that we have paid attention to mergers and acquisitions. We have paid attention to foreign insurance companies insofar as they may be locally incorporated under Part 10 of the Companies Act, as externally registered companies, or birthed as local companies. We have also paid attention to the Underwriting Associations for markets such as Lloyd's.

Madam Speaker, if I may ask, what time do I end in full time?

Madam Speaker: You will end at 4.30 because that is for tea. You will have a minute and a few seconds after that of original time when we resume after the suspension.

Hon. F. Al-Rawi: Much obliged, thank you so much—and then 15 minutes after that. Madam Speaker, permit me to take it in the following order. First of all, clauses of relevance that I would like to address in the Bill. Secondly, to treat with the ATTIC comments and, thirdly, to treat with the issue of married persons and the concept of trustees and how that arrangement is disaggregated from an irrevocable setting, married people versus non-married people in irrevocable trusts. I think those are the large issues in this debate. It is hard to do justice to 83 clauses. Even if you took a minute per clause you would run out of time.

I can say immediately with respect to clause 18, clause 18 treats with the concept of the Eximbank. The Minister of Finance noted that quite succinctly the Eximbank which is now in a significant state of growth and useful purpose under this Government, again by an initiative coming from the Prime Minister, where we have allowed for US capital access— access to US currency via the Eximbank for manufacturers and other providers, now in aggregate nearly close to US \$100

million, if I am correct.

Mr. Imbert: Yes.

Hon. F. Al-Rawi: Yes. That Eximbank facility includes in clause 18 the preservation of Exim by way of exception. Eximbank actually, apart from its capital arrangements and considerations in support to the market, treats with the provision of an insurance aspect that needed to be preserved. We considered that that is useful, Madam Speaker, really because you do not quite know yet when you may need that vehicle as an appropriate social tool to adjust the policyholders of Trinidad and Tobago. So we are making sure in the proposed addition of a clause, subsection (13) that is clause 18(b), (c), (d) and (e) where we amend section 30 of the Insurance Act by introducing the exceptions for the Eximbank.

Madam Speaker, a very important clause that we can look at is clause 19. Clause 19 ensures that the decision of revocation of registration for classes of insurance by the Central Bank, effectively by the supervisor, that the court may apply for an order for winding up, but that is where we stopped. We felt it unjust to leave the only remedy as a winding-up provision. Why? Because there is a catastrophe that can happen, and I do not mean it in the insurance sense, by just taking winding-up. So you would note the substitution of the word “shall” to “may”, and the addition of an alternate remedy that the bank can take such other action provided for under the Act. It is important to have a suite of remedies available for utilization by the regulator.

Madam Speaker, that for instance would apply in the Clico structure. It is now known that it was not until this Government came into effect that the certification of the amount of debt owed by Clico, the provision and insistence of security to back the debt, the insistence by this Government that interest be managed on top of the payables. It was not until this Government came into effect

that we managed that situation, and it was not until this Government came into effect that that true crystallization and protection happened.

If we look at clause 20, we can look to the whole issue of sections—I would say clauses 20, 22, 25, 26, 30 and 31. When we look to clause 20 we find a very important product. In the addition of a new 43(2) and (3), we are adding in a subclause (3) to section 43. We are saying that the inspector may disallow a method used for allocating investment income. Where? In the circumstance where it would be unfair to the policyholder. This is an exceptionally important clause, because it allows the policyholders to have the Central Bank in its supervisory function via the inspector come to the aid of the policyholder so that their investment, be it by way of annuity or other product, is in fact protected.

Madam Speaker, clauses 22, 25, 26, 30, 31 deal with the transparency aspect. By transparency, I am referring to now, where we are dealing with acquisitions, where we are dealing with restructuring, where we are dealing with transfers, we insist that there is a transparency by way of registration at the Companies Registry. We ensure that the instruments of transfer and also vesting orders for transfer—because, Madam Speaker, sometimes the manner in which you transfer assets from entity A to entity B they may be unduly complicated by multiple instruments having to be registered, undertaken, perfected in a cascade environment.

The option for a vesting order allows for one instrument to catch all. In other words then, it is a basket approach. You put all of the items into the basket of vesting and you do it by way of an order. The key inside of this is to ensure that there is transparency for the public. There must be no business hidden from the public, and therefore, these particular concerns allow for transparency, allow for the management and introduction of, very importantly, two forms of licences when

we are dealing with acquisition. That the acquirer who is going to become a controlling shareholder does not only reside in obtaining a controlling shareholder's licence or certificate, but also an acquirer's certificate. Because if, in particular, you are focused upon a foreign investor as an acquirer, you want to ensure that your supervisor or your regulator has a line of sight, and public transparency for the acquirer of what may be significant investments to the people of Trinidad and Tobago. Why? It takes up 27 per cent of your GDP if you look at it, and that is no small input inside of this Bill.

When we look to clause 38, clause 38 has a very important provision where we are ensuring in the transition application of this law that you are not allowed to touch your capital in a reduction for five years. Let us put this quite simply. The law allows for a transition from the old Act to the new Act when proclaimed. In the first six months you have to produce a plan. The plan must be now certified by these amendments we propose today, by the board of directors, the CFO, et cetera. That engages section 99 of the Companies Act, which is the fiduciary liability. It kicks in the Financial Institutions Act. It brings a host of laws into effect.

But very importantly, they have one year to get it right. Even equally importantly, one needs to be sure that the capital is preserved for five years, so that while they are transitioning, even if you have excess capital to what a new company would, you got more than 25 million or more than five million, depending upon the brackets that you fall into, whether you are life, composite or general, even if you are above for the first five years, you cannot shift those downward, because we want to make sure that the companies establish themselves for the benefit of the policyholders.

Madam Speaker, if we look to the provisions of clause 41(a) and we look to the risk exposure against your capital base, there is the usual 25 per cent limit of

risk. We make sure that the exception for government guarantees is provided. Why? Who is the largest player in terms of this industry? Obviously, the Government of the Republic of Trinidad and Tobago is the largest investor in Trinidad and Tobago, and therefore, exposure in the government guarantee underwriting context has to be contemplated and excepted out.

Madam Speaker, if we look to clause 47 we address the concept of judicial management, and clause 46 we look importantly to the priority of costs. These clauses really take us into the realm of how do we manage the costs of a regulator who enters in circumstances of emergency relief, winding provisions, liquidation, judicial management. All of these aspects have to be contemplated, and therefore, we have simply reorganized the priorities of costs to ensure that the liquidator, the receiver, the manager, the costs of whatever exercise is afoot, is in fact a priority cost as it must be, Madam Speaker.

Madam Speaker, we then get to the provisions of clause 55. Clause 55 is where we actually ensure—one of the points that I mentioned earlier—that we take from the regulations into the parent Act. And here in clause 55 we are amending section 136 and we are ensuring that we move the qualifications for auditors from the regulations, that is the insurance interim regulations, we take that and we put it instead into the parent Act in the new modified section 136.

Clause 61 is an important provision. Clause 61 is to be addressed in also answering the observations coming from ATTIC, and in answering those obligations permit me to do as follows: Let me translate the ATTIC observations. Perhaps it is a convenient point to do that now. ATTIC wrote to everyone it seems. I received yesterday at the AG's office, it is stamped January 30, 2020, the comments coming from the Association of Trinidad and Tobago Insurance Companies. Effectively, they identified in a few short comments, but important

comments, three items. One, they have referred to a typographical error in section 30, which we agreed to obviously. Two, we are looking at section 61 which treats with an amendment to section 197 of the parent Act, and then they proceed to ask a number of questions. They also look at section 144. And the third comment that they come to is when we treat with the married persons.

When we get to clauses 61(a), 61(b) where we seek amendments to section 197, it is at this point that ATTIC's concerns need to be addressed. Section 197 of the parent Act treats with a one-size-fits-all. It treats with the position where we are saying that there must be a reporting within a period of seven years by companies, where amounts remain unpayable out of policies. So section 197 says, give in that seven-year period all of your payments that remain unpayable.

ATTIC's concerns are, number one, that that ought to apply properly only to life insurance companies, not general insurance companies. They say that the amendment can now apply in a broader context, and they are concerned about that. And number two, they are looking, by way of their questioning, for certainty in relation to the interpretation of what is to be meant by "legally payable". Then they also say that it is perhaps best to go back to industry to have a look at this.

Madam Speaker, I am able—I am also watching the clock to answer their concerns and—

Madam Speaker: Okay so, it is now 4.30. Attorney General, you will have one minute and 13 seconds of original time when we resume. Members, we shall take the suspension now. We shall resume at 5.00 p.m. This House is now suspended.

4.30 p.m.: *Sitting suspended.*

5.00 p.m.: *Sitting resumed.*

Madam Speaker: Attorney General.

Hon. F. Al-Rawi: Much obliged, Madam Speaker. [*Desk thumping*] Madam Speaker, I know I have one minute. Is it convenient to put that question now as to whether I wish more?

Madam Speaker: So that you will now be entitled to the 15 minutes extended time, I grant you leave so.

Hon. F. Al-Rawi: Much obliged, Ma'am, thank you so much. Madam Speaker, I was addressing before the break the observations coming from ATTIC and in particular their positions under clause 61 of the Bill which seeks to amend section 197. Put into very simple context, ATTIC believes that the amendment to section 197 causes, in its mind, confusion. Number one, because they are of the view that general and life insurance are now caught as opposed to life insurance.

Number two, they believe that the removal of the seven-year period which is a known time frame is something which causes some difficulty in terms of interpretation. They believe that the interpretation of "legal payable", when something is legally payable is problematic, and they ask for clarification as to "unclaimed money", what is in fact "unclaimed money".

If I could answer their concerns, Madam Speaker, by reference to the section itself. Section 197 of the Insurance Act treats with unclaimed money. It says:

"Every insurer shall, within forty business days after the end of its financial year, publish in the *Gazette* and in at least two daily newspapers circulated in Trinidad and Tobago, a statement showing all policies in respect of which the amounts remain payable by the insurer for a period of seven years and the statement shall be submitted to the Central Bank within five business days of publication."

Now, Madam Speaker, the amendment proposes that we move away from saying, “showing all policies in respect of which amounts remain payable”, and going instead to:

“...‘showing all policies in respect of which there is unclaimed money’;”

The move to “unclaimed money” does properly now grab both ends of the equation, general and life, and indeed for companies that have composite business it would touch that as well. What is the risk to the policyholder? The risk to the policyholder, the certainty of the stability of the company falls into question. What happens if your demands and amounts payable are beyond your capital adequacy, beyond your financial underwriting, your reinsurance is not in place in that perspective. Having an understanding of your credit exposure, your risk exposure is a very prudent thing for the regulator, and is strictly for the benefit of the policyholder.

In this context, Madam Speaker, the view of the Central Bank in particular is that seven years simpliciter is misleading because one size cannot fit all. Anybody who has been involved in litigation and lawyers that act for conglomerates or companies are accustomed, as I have been personally, Madam Speaker, to writing litigation reports where every year for the purposes of audit, attorneys-at-law write in to the companies that they work for and say, these are the matters that are being handled, here is the credit exposure, here is the likelihood, here is the time frame. So there is a definite purpose by way of lawyers writing to auditors of companies, and stick a pin, every insurance company under this law has to have an auditor, it is a condition, there is a certainty in the lawyers already advising. So the submission coming in answer to ATTIC’s concern is, it is by far more prudent to rely upon the attorney’s advice to tell you what your risk is or what your risk is

not. And why, Madam Speaker?—because in this Bill we are proposing mandatory alternative dispute resolution.

In other words—and I know the Member for Tabaquite in the Joint Select Committee and in the last debate raised this concern: Why does it take so long for insurance companies to pay? Why is it that people get the feeling that there is a runaround to get “their money”? Premiums are paid on time else you have no coverage, you may be in breach of the law if it is a motor vehicle and road traffic matter because you must have insurance on your car. So why is it that people get the runaround?

Madam Speaker, combine the move for alternative dispute resolution on a mandatory setting in this Bill, with the risk of credit exposure, risk of liability, understand that the lawyers are capable of working that situation out, and then jump to subsection (14) where the definition of “unclaimed moneys” is also being amended:

“In this section, ‘unclaimed money’ means all sums of monies which become legally payable by an insurer in respect of policies and are not claimed...”

We are striking this off:

“...within seven years after the maturity date of the policy.”

And now we are saying:

“...‘within the time which proceedings may be taken for their recovery’.”

This is an eminently sensible approach. Why, Madam Speaker? Because if we went with one size of seven years, it would not take an effect, it would not take conscious reflection of the liability laws in this country, I will put it quite simply, the limitation of certain actions, the Act says to you that you may in fact be with a

claim even though it is without or outside the statutory prescription period for a number of reasons which the law entitles you to claim the activation of claim for.

So, Madam Speaker, I myself find section 197 as it is proposed to be amended by clause 60, Madam Speaker, I find 61(a) and 61(b), I personally find that this is a clear position which makes logical sense for the benefit of the company, the benefit of the regulator, and certainly the benefit of the policyholder. Tie it in to the alternative dispute resolution mechanism, and now you are saying to companies, if you know your risk looks large, go and dispute and resolve the matter, and that works to the benefit of the policyholder certainly, Madam Speaker.

Madam Speaker, when we look to clause 71, the use of connected persons, I want to add here, when we are looking at the prohibitions against doing business with categories of people, we found it by far more prudent to avoid the loose definition contained in clause 71 and instead, Madam Speaker, to go to the use of “connected persons”.

When we go to clause 75 and we reflect upon—and just permit me a moment to get to clause 75, we reflect upon at page 80 of what I have, clause 75 here, Madam Speaker, we are looking at the regulations, we are amending section 279 of the Act. In section 279 of the Act, we are setting forward the manner in which regulations are to be addressed. We are specifically, Madam Speaker, proposing that this is dealt with by way of negative resolution. Why?—because there is industry participation.

Number two, the process of the alternative which is affirmative resolution is extremely cumbersome when it comes to making an amendment. Because if you reject something at affirmative resolution, you have to go over and relay the entire thing all over again, and it is by far more sensible, by far more robust, now that

these regulations have already seen full stakeholder consent, full stakeholder buy-in and participation, that we take this particular approach, Madam Speaker.

Madam Speaker, the alternative dispute resolution mechanism that I have been referring to is to be found at clause 67, Madam Speaker, and that is a new section 250A. And I would like to say that that is one of the very novel and progressive provisions of the Insurance Bill, and I wholeheartedly underwrite its utilization in the industry.

There was for a time an argument that mandatory membership could be something that tripped your rights from a constitutional perspective. I am very warmed to put on the record today that the Court of Appeal in Barbados has dealt with the issue of mandatory membership, mandatory participation, it is properly deemed to be proportionate. In that particular instance it was a challenge onto mandatory membership in the legal profession.

I can say as a matter of law, that all laws in Trinidad and Tobago save our Legal Profession Act which is in 1986, were done by a simple majority approach for those things, and indeed we just passed the urban and—Planning and Facilitation of Development amendments to deal with the profession of urban planners by way of simple majority, so I am quite comfortable that the law is properly proportionate and constitutional, Madam Speaker.

Madam Speaker, if we look to clauses 77 and 82 in combination, here is the other commentary coming from ATTIC. These touch and concern, Madam Speaker, the Married Persons Act. Now, let us take a look at what ATTIC's observations were here as I gave the undertaking to address that.

Effectively, ATTIC is looking under clause 82, and I am flagging it as clause 77. When we look at clause 77, let me stick a pin. Under the matrimonial regime in Trinidad and Tobago, we recognize something called the “constructive trust

principle”. In other words, a husband is married to a wife, the husband may have all the assets in his name, everything listed, he is the breadwinner, so-called breadwinner, he is the one at the job, but the wife stays at home, looks after three children, runs the household, sacrifices her career.

The matrimonial laws of Trinidad and Tobago, in particular the Matrimonial Proceedings and Property Act which embodies the common law principles and the family law arrangements that we have in our rules and structures, et cetera, they quite simply say, look, cash is as good as in kind, put quite simply, and a husband holds property if it is in his name or a wife if it is in her name and not on the husband’s name, on a constructive trust principle, meaning the wife or the husband, the other spouse whose name is not on it, is entitled to a share in that property by way of a constructive trust principle.

That means that upon dissolution of a marriage the person whose name is not on the property is entitled to a part of it and effectively, Madam Speaker, the longer you have been married is the more you are entitled to, you start off at roughly 1/3 of the matrimonial assets and you work your way up to 50/50 unless you can express your specific interest otherwise. That is relevant to the Insurance Act, the 2018 Act. In the 2018 Act, the insurance industry and the Joint Select Committee specifically looked at this issue.

And another mischievous situation was addressed in the Act which we now seek to amend. That other mischievous issue is where a husband or a wife, either one of them, go and take out a life insurance policy, if I put it quite simply, and they define the beneficiary as “estate” or they define the beneficiary as a named person, the wife or the husband or the children, that is expressed in most terms to be an irrevocable arrangement and a trust is created.

Now, the Married Persons Act comes into operation here because the Married Persons Act says, look, if you have that kind of product and the person dies and the policy yields a benefit now, to protect the beneficiaries of that, the children or the wife, the named people, that money is excluded from the estate, so the money cannot be used to pay creditors and debtors, et cetera, it is a form of protection for those who survive you, Madam Speaker. And when we looked at that particular arrangement we see, Madam Speaker, that the Married Persons Act, section 11 in particular ring-fenced that money.

The other mischief here is that it came to the point where people who were being divorced and who had set up these irrevocable arrangements and the trust principle applied, the new wife or the new person they are going to spend their life with, if it was not dealt with in a decree nisi, meaning in the court where they dissolve your marriage, if it was not a specific term of the order of the court that you would go and amend that trust, because what the Married Persons Act says is, look, you cannot change the person in that trust without their consent, their express consent, because that person may have been agreeing to stay home while you on paper have the assets. If you are going to take away that benefit from the husband or wife, let them consent.

And the other mischief that arose was, people saying, well, look, "I want the liberty to change my mind on that investment," and therefore the industry and the consultation at joint select committee agreed that there should be a repeal of section 11 of the Married Persons Act, that is putting it into simple context.

This law here, Madam Speaker, came to the Legislative Review Committee, and as Attorney General I looked at very important considerations coming, and I wish to put on the record here coming from Stephanie Daly of Senior Counsel who is somebody well known in the practice of family law, in particular matrimonial

and property issues that come out of that context. She raised the flag quite respectfully that there could be an incongruity because the law as we are proposing an amendment, says you can change your mind, you can take what was irrevocable without the consent of the other person—you can change it to someone else, but there was the observation that that may in fact collide with the fact that people who are not married and who have irrevocable trust are not in the same position; so two levels of equality, inequality one refers to in that context.

And therefore, the recommendation coming from the Attorney General's office is that we cause the amendments in the fashion that we have today to stick a pin on it, not proclaim sections 84 and 85 as we have it which effectively—sorry, forgive me, sections 184 and 185 of the parent Act, and let us go back and have another look at that, because the last thing that we would want to do is to result in an inequality which could anchor into an unconstitutionality because section 4 of the Constitution says people in similar circumstances ought to be treated similarly. This would actually be quite terrible because people who are most protected would now all of sudden find themselves in a revocability of what was irrevocable without consent; sorry to put it in such a complex way.

So, Madam Speaker, the recommendation coming from the Attorney General's office, accepted by the Cabinet and finds itself into this paper, ATTIC's comment on that was to tell us, "Ay, we agreed to change that", and now we are recommending to this honourable House that we press pause on the proclamation of sections 184, 185. We accept that we are not going to repeal section 11 of the Married Persons Act, and instead we allow it to prevail until we take a second look at this issue in the interest of equity and justice for married persons.

Madam Speaker, we then have the schedules which they are effectively treated with, in clause 79 amends the first Schedule—the second Schedule, forgive me, of the 2018 Act, that makes it clear that—

Madam Speaker: Attorney General.

Hon. F. Al-Rawi: I apologize. I thank you for the opportunity, and I will save the rest for committee.

Madam Speaker: Member for Pointe-a-Pierre. [*Desk thumping*]

Mr. David Lee (*Pointe-a-Pierre*): Thank you, Madam Speaker. I might have given the Attorney General some five minutes of my time, but [*Laughter*] Madam Speaker, I am happy to join in the debate this afternoon on the Bill, a Bill to amend the Insurance Act, 2018.

Madam Speaker, listening to the Attorney General in his first part of his debate, he talked about—and also the Minister of Finance, and they both talked about “performance beats ole talk” in respect of this Insurance Bill, 2019, and now they are now bringing amendments today. And, again, I ask the question: What is the rush of these amendments?—because these amendments were laid more to the ending of November 2019, and we are now debating this Bill today. And last Friday when we were in the House and we were being told that we will be debating these amendments today, the Leader of Government Business mentioned that it was a tight deadline that we were working with.

Madam Speaker, I was part of the JSC back in 2017 when we were going through the Insurance Bill, 2016, and it is now the Insurance Bill, 2019, and we spent a considerable amount of time in that JSC. The Minister of Finance was the Chair of that JSC and he did acknowledge that there was good participation and collaboration on both the Government and the Opposition and the Independent Senators. And we did a lot of work in that JSC because it was a continuation of

JSCs that would have started in 2015 under the PP Government and an Insurance Bill, 2015, then was laid, it lapsed and the majority of those clauses came from that Bill, the Insurance Bill, 2015, under the PP Government, and they had some changes in the 2018 one.

So today I ask, Madam Speaker, and I was shocked because as we—right now the Insurance Act that is in law right now is the old Insurance Act that both the Minister of Finance and the Attorney General talked about, that it had to be changed over more than 10 years ago. So, I am a bit disheartened that we passed a Bill on 18 May, 2018, in the Senate, the debate ended. It was passed in the Senate with no abstentions, it required a three-fifths. The Bill was assented to on June 04, 2018, and today it is still awaiting proclamation. And the Minister of Finance wants to talk about “performance beats ole talk”, and I am asking the question before I get into my debate, what is the purpose of these amendments today? Is there something that is triggering in this country the reasons for these amendments?

Now, my colleague the Member for Caroni Central in his debate talked about the Acting Inspector of Banks, one Mr. Patrick Solomon, and I want to say on the record that I worked with Mr. Solomon and he is a very good individual, [*Desk thumping*] he understands the nature of inspection because I worked with him at the Central Bank. So, I would say the inspection department is in good hands under Mr. Patrick Solomon, and I am surprised that he is still acting because I think that he took over from Mrs. Chong Tai-Bell who I also know. So, Madam Speaker, again I am at a loss of these amendments. And I am asking, is there something hidden with these amendments?

Madam Speaker, as I said, the Bill was assented to, it is still awaiting proclamation, we had 10 extensive meetings, we produced a JSC report of over

500 pages, it was debated right here in the House and in another place. And I want to just quote from the *Hansard* when both the Minister of Finance was piloting the Bill and the Attorney General spoke. And I want to go to the Attorney General's quote in the *Hansard*, Madam Speaker, which is important here today because he mentioned it again today. And I quote, February 16, 2018, in the *Hansard*, page 45, Member for San Fernando West, Attorney General Al-Rawi:

“But very importantly...”

And I quote:

“...what the Bill has now is the benefit of an entire package.”

This is the Bill, 2018.

“The Bill is a Bill with 282 clauses, 13 parts. It has several Schedules attached to it, but very importantly it is not so much the work of the Schedules that I want to focus upon, the Bill has the benefit of complete draft regulations...”

And we heard it from the Attorney General here today that the Bill that was passed in 2018 was a complete package, Madam Speaker. I think for the first time since I have been here for four years, that the regulations were in place with a Bill. So it defies logic why this Bill was not proclaimed and today it is still not proclaimed. Madam Speaker, and I will keep asking, is there something hidden by now bringing these amendments to fit a puzzle that is required for this country in a different way, and I will get to that later on.

Madam Speaker, even the Minister of Finance boasted about that legislation of the 2018 Insurance Act and he talked about being best in class, best practice of that piece of legislation that we worked so hard together. He boasted and he praised and he thanked the Central Bank for the participation in that JSC, all the stakeholders, the CPC, the insurance industry all came before us, and we all agreed

that it was a really good piece of legislation and we were happy that it was passed because they had consensus on the Government and the Opposition back in 2018. Again, the Bill was not proclaimed, it reminds me of the procurement regulations and the Bill that is still yet to be enacted, Madam Speaker.

Madam Speaker, I ask again why a firm still operating under the old insurance law after we worked hard—and there is a reason for that, because the Government of the day was not ready to enact or proclaim the Insurance Bill of 2018. You see, there is a company called Clico, Madam Speaker, and there is a life insurance aspect involved with Clico. And we heard recently and I have a newspaper article, October 16, 2019, the *Express* business:

“Sagicor acquiring CLICO liabilities that exceed assets.”

And I will come back to that, Madam Speaker. Now, I know the Clico portfolio and the Clico insurance is under the purview of the Central Bank, and there is in the media that the Clico portfolio of the life insurance aspect was sold or is to be sold to Sagicor for somewhere about \$7 billion, Madam Speaker.

So, Madam Speaker, when you look at these amendments that are being presented here today in a holistic way, there are some amendments that are really shaping the sale of that Clico portfolio to Sagicor, and I will get to it, I will get to that later on, Madam Speaker.

We come here today, again rushing legislation as always by this Government, as how we rushed the insurance, we rushed the procurement Bill and it does not go anywhere, and the population feels that the Government is working hard and Bills are being passed, but nothing is happening in this country.

5.30 p.m.

Madam Speaker, we heard about the Minister of Finance in his—when he talked about the best in class. Now I want to go to some of the clauses in this Bill,

Madam Speaker, that really shapes these amendments, really shapes about the sale of Clico, and one would have thought that the Insurance Bill of 2018, the Government would have proclaimed it. It was a work in progress. They had a lot of things to do. The insurance companies had to get their house in order. There was a gestation period I think of five years. One of the issues at that point in time in the JSC was the stamp duty aspect, and I am happy to see as part of the amendment that the stamp duty is now no longer an issue for the insurance companies. But back in 2017/2018 when the insurance companies were asking about that stamp duty aspect, the Minister of Finance—and even the advice of the CPC and the Central Bank was to hold your hand on that and let the Inland Revenue treat it by a case-by-case basis, to ensure that things were in order and it was legitimate. But today we see as one of the amendments the stamp duty aspect being allowed and not being questioned, and again I am asking the question, why now and not then?

Mr. Al-Rawi: Thank you, I apologize. Member, thank you so much for giving way. Could you just refer me to the clause that anchors the submission that you have just made so I can take a little note for committee stage? Which clause is it that you say that only now causes the removal of stamp duty? I would be grateful. If it is convenient?

Mr. D. Lee: Well it is the clause with the stamp duty, and if you check the—*[Laughter]* No, no, if you check the JSC—*[Continuous laughter]* You want me to quote it? You want me to quote it? Anyway I will get back to that.

Madam Speaker, I am not going to ask, we will go over it just now. So, Madam Speaker, when you get into the clauses, I want to talk about, in the definition change, there is something called “acquirer”. *[Interruption]* In clause 73, let me read it. *[Interruption]*

“...transfers subject to stamp duty...

Clause 73 of the Bill seeks to amend section 265 of the Act...”

—and this is answering the Attorney General—

“...which establishes an exemption that although the transfer of and vest in a person of undertaking by Vesting Order as a result of restructuring is typically subject to stamp duty, in this instance it would not be subject to the provisions of the Stamp Duty Act.”

So in the 2018 Act, Madam Speaker, when we were doing the JSC, it was asked by the insurance company to include it, the Minister of Finance and the CPC’s advice, and the Central Bank was not to include it and let the Inland Revenue handle it. *[Interruption]* It is true. It is there in the JSC. You want me to read it out in the JSC?

Madam Speaker, you see I am triggering something here. I am triggering something and I think I am on the right path why these amendments are being passed and asked to be passed today? It has to do with the sale of that Clico. *[Desk thumping]* You see they are trying to get the Act in order to satisfy the purchaser or the acquirer. So I want to go to the acquirer definition, Madam Speaker. In section 4(1), the definition of “acquirer” in its original form, and I quote:

The—“‘acquirer’ means a financial entity or a significant or controlling shareholder of a financial entity that either alone or with an affiliate, relative or connected party, is entitled to exercise ten per cent or more of the voting power at any general meeting of an insurer;”

And they are now adding in “or the financial holding company of an insurer”. And that is important at this stage of what is happening with that sale of Clico. And I want to use a word that my friend, the Member for Port of Spain North/St. Ann’s West, he uses a word called, “I would like to mark it.” So I would like to mark

some words, some names here this afternoon. I would mark Alyne Best, I will mark a gentleman by the name of Neil Dingwall, and I will add further on, Madam Speaker. I will mark it. Madam Speaker, so the definition of “acquirer” was changed and added in that financial holding aspect, and that is critical because of the same sale.

Madam Speaker, in clause 29 there is something called “Scheme of Transfer”. “Scheme of Transfer” in clause 29, and this is critical of the change that they are bringing here in this amendment of the scheme of transfer. Again, it has to do with the sale of Clico, Sagicor purchasing Clico, and it is really putting that Sagicor’s house in order to be able to go through with that purchase. [*Desk thumping*] So while these amendments look very simple and they appear to be doing some housekeeping, there is another part of the picture that is being set up for this sale of this Clico portfolio, and this is why we are saying that if this Government was serious they would have proclaimed the Insurance Act of 2018, and it would have been a work in progress and you would have continued.

Mr. Al-Rawi: Madam Speaker, I rise on Standing Order 46(6). I have just confirmed that there is some purpose about the Government, meaning all of us sitting opposite here. Because the Member is setting up an argument that I think is offensive to the Standing Order.

Madam Speaker: I overrule you for now because he has not made any connection. There is not anything he said really that is offensive. Continue.

Mr. D. Lee: I think the only words I used are “scheme of transfer”, Madam Speaker. Madam Speaker, when you look at another clause that is being amended, clause 4(a)(v), and I ask, and if you go to clause (a)(v) it has to do with the wording “insurance consultant”. Clause 4(a)(v), and that is where I would mark Mr. Neil Dingwall, because Mr. Dingwall, by profession, I think, is an actuary, and

how it is worded here, in my view, in my humble view, it is really about protection of Mr. Neil Dingwall in case something was to happen in that sale transaction, because Mr. Dingwall is providing consultancy work for the Central Bank.

Madam Speaker: You know, I think we have to be careful how we just throw out names without there being any basis, and people not here to answer. You know you are calling out a name just in a vacuum, there is not really any connection to what is being said here. Okay, so that is what I find is somewhat offensive. All right?

Mr. D. Lee: I am guided, Madam Speaker. Madam Speaker, I want to go to another clause, clause 15(a) of these amendments, where they are removing the words “principal representatives”, and that is critical. So when you ask, why would you want to do that? Why would you want to remove “principal representatives”? That was there before in the Insurance Act of 2018.

So, Madam Speaker, are they by removing “principal representatives”, what it is will happen is that you would not have to list the foreigners or the people who are responsible, and I think maybe in the committee stage we will be asking for them to revert back the principal representatives. [*Interruption*] Did you study the Bill AG? You wrote the Bill, clause 15(a)? [*Interruption and laughter*] So, Madam Speaker, they can laugh, because I know I touched a nerve. I know I touched a nerve. [*Desk thumping*] I know I touched a nerve. When you look at clause 15(b), it talked about the removal, while you are repealing section 24(2)(g), is a case for an application on behalf of a foreign company, and I quote that:

“...has been carrying on long-term insurance business prior to the application, a copy of the actuarial reports for the three consecutive years immediately preceding the application”—this is the clause—“except that where the foreign company has been functioning for less than three years,

actuarial reports for each year it has been in operation and shall be sufficient.”

Why are you repealing this?

Mr. Al-Rawi: Would you give way?

Mr. D. Lee: Sure.

Mr. Al-Rawi: Thank you, hon. Member. I genuinely thank the hon. Member for giving way. Just to give the hon. Member comfort, the reason that we are repealing this is that foreign companies cannot do business under the Act, so it is otiose and irrelevant. So the reason that we are cutting it off is because a foreign company cannot do it, so there is no need for it.

Mr. D. Lee: I “doh” agree. I hear you, Attorney General. Okay? So, Madam Speaker, what is the real reason? When you look at some articles in the newspapers by Mr. Permell, Afra Raymond, about Sagicor, it is really about transparency. And, Madam Speaker, our concern and my concern has been these amendments, that there is no proper explanation for these amendments. I want to believe that these amendments are critical, important amendments, and they should have gone back to a JSC where we could have brought the Central Bank in front of the committee to investigate the true reasoning for these changes and these amendments, after we had done some considerable time with the Insurance Bill of 2018. So, Madam Speaker, there is something hidden about it, I need also the Exim—

Madam Speaker: You seem to be saying that there is something hidden but you are not saying what the hidden is about, and almost throwing up things in the air that you yourself are not committing yourself to, so that I would ask you to refrain from that. Please.

Mr. D. Lee: Thank you, Madam. Madam Speaker, I am asking questions. I am

asking explanations.

Madam Speaker: Questions as far as I am concerned are phrased in a particular way. All right?

Mr. D. Lee: Sure.

Madam Speaker: Those are not questions. You just said that that is not the real reason and there is something dark and sinister. Those may not be your exact words, but those are not questions. And it is either you are making something pointed that could be responded to, but you are not just throwing up—it is almost as if you are creating some kind of mirage. It is either you are saying something or you are not saying it.

Mr. D. Lee: Sure. Sure, Madam Speaker. I would like to ask if the Minister of Finance in his wind-up could explain further of the clause that is about the export Eximbank? That is that. If he could elaborate a little bit more on that, because it needs some clarification for me. And, Madam Speaker, I would not take up any much more time because I know I have put something out here on the table and it needs, these amendments need some further explanation, and with those few words, I thank you. [*Desk thumping*]

The Minister of National Security and Minister in the Office of the Prime Minister (Hon. Stuart Young): Thank you very much, Madam Speaker. Madam Speaker, it is indeed a pleasure to join this debate here this afternoon. I am not going to be very long because there is absolutely nothing to respond to.

Madam Speaker, just for the public's consumption, it was explained very clearly but it is obviously worth repeating lest anybody be misled as to the purpose of this Bill here today. The Minister of Finance, and I believe he was supported by the Attorney General, has said clearly that after seven years of going through a number of joint select committees to try and amend the legislation governing

insurance companies in Trinidad and Tobago, in 2018 a Bill was passed as an Act, and prior to proclaiming it the Government did the right thing. The Government sent that Act to the regulator who is going to regulate the insurance industry, namely the Central Bank of Trinidad and Tobago, and asked the Central Bank of Trinidad and Tobago, please review this Insurance Act of 2018 because we are ready to implement it, but you as the regulator, if you have any concerns, we are going to provide you with the opportunity to identify those concerns. The question therefore has been answered as to why this Bill is here today. This Bill here today is as a direct result of the request of the Central Bank and other stakeholders who have to implement the law, live with the law, and the Central Bank regulates the industry, and that is why we are here today.

I could not quite follow the contribution of the Member for Pointe-a-Pierre a short while ago. It was the continuous throwing out of Clico, and then questions about Sagicor. I thought they were going to go down a certain road, but the Member, and maybe it is because good sense prevailed and maybe a sense of decency, held back despite the spurning on of some of those on the other side. But Clico is an opportune point to enter the debate and talk a little bit about why the Insurance Act, 2018, and in particular what we are here debating today, an Act amending that Insurance Act of 2018, are necessary. The insurance industry in Trinidad and Tobago unfortunately has been littered with a number of failings, and the persons who suffer as a result of the failings of certain insurance companies are always the policyholders and the members of the public.

So, Madam Speaker, this Act which is making amendments to the parent legislation, Act of 2018, are absolutely necessary to protect the public of Trinidad and Tobago. I can remember as far back as Crown General, one of the first insurance companies to fail in Trinidad and Tobago, and the reason I recall it is

because at the time my father was appointed as the receiver of Crown General. So as a young boy, maybe five years or eight years old, I remember that debacle. Fast forward to a number years later. When I entered the profession of law in 1998 in Trinidad, one of the areas I practised in was insurance law, and anyone who practised, like Madam Speaker, and others on this side, in the arena of law in Trinidad and Tobago, very quickly became familiar with certain insurance companies in Trinidad and Tobago, who all they were in the business of doing were issuing certificates to fulfil the motor vehicle obligations of having an insurance certificate. One of them became known amongst our circles as “bounce and loss”, B & L Insurance, familiar with the other side.

But those are the types of insurance companies, and there were a few: Citizen, Capital. I recall them. You would go to court, you would do the litigation for persons who you have seen suffering, persons who have been involved in car accidents, injured, lost property, and you would succeed against these insurance companies, and after a while knowing that the chance of your client recovering against them was near to zero. Where is the regulation of those insurance companies? Why were they not properly regulated? Where was the capital adequacy to support the payment of these damages? Nowhere to be seen. So anyone who opposes this type of legislation, which is really being brought as amendments to a necessary Bill that has already been passed, and is an Act awaiting proclamation, and these are the amendments suggested by the Regulator, one can question, why stand in the way?

I can also say what happened with respect to Clico and CLF, because that is the straw that broke the camel's back in the insurance industry of Trinidad and Tobago. And I can recall at the time of it happening in 2009 or thereabouts, Madam Speaker would have been playing a different role at that time, and the

country was faced waking up one morning thinking that this great empire of CLF and Clico, where everybody was throwing money into, a host of people, of our citizens, massive interest rates on the STIPs, and all of these types of derivatives that they had developed, people had invested their hard-earned life savings in there, and all of a sudden the cards came crumbling down, and lives were affected.

And we the citizens woke up one morning to be told by the Government, a PNM administration, that they had been approached by the private shareholders. This is not a state enterprise. It was not a publicly traded company—but by a handful of private shareholders, saying, they had gone to the Central Bank because they no longer had the cash liquidity to keep things afloat. And the Government was called upon to intervene with taxpayers' money, and we all know how that unfolded. I was counsel, one of the counsels in the CLF Commission of Enquiry, and I sat there every single day listening to the testimony, cross-examining witnesses as to what happened. Where was the Central Bank? Where were the regulators? Where were the directors of Clico? Where was the audit committee of Clico? Where were the persons who were charged with the responsibility of protecting policyholders, the poor people, the pensioners, the credit unions? Nowhere to be seen. And one of the cries I recall, sitting in that commission of enquiry and cross-examining, was from the regulator.

In fact, in a conversation we were having during the break, the Minister of Finance was reminding me of some of the conversations of the then Governor of the Central Bank and the then Inspector of Financial Institutions, and when the question was asked, why did you not intervene? Why did you not prevent this from happening?—because there was a lot of inter-company accounts taking place, pieces of paper passing as IOUs for hundreds of millions of dollars. I heard my colleague from Caroni Central talk about it was an empire with energy

investments. There were two investments holding that whole group up, Methanol and Republic Bank shares. Everything else was smoke in mirrors. And if we had proper legislation in place that gave the regulator the power to enforce the law and to intervene—I remember what happened. And lest the population forget, the Central Bank was told, and Clico and that whole empire got Queen's Counsel advice and Senior Counsels advice, telling the Central Bank, you cannot intervene, stay out. Once we provide you with audited accounts, that is sufficient. The audited accounts, when you looked at it, had no cause for concern. They were not being qualified. But when all started to be unravelled, the Statutory Fund could not support the liabilities. The policyholders were left out to dry, and it is the Government of the day that intervened, because we thought the whole economy would collapsed.

And that is the reason why we are here today. We cannot change the past, but we can take decisions here today to ensure that that does not happen again, and that is the answer for the questions why we are here today. And we are here today because the regulator who must never allow this to happen again, because we then came in as an administration, and I was tasked, along with the Minister of Finance, to look at the problems in CLF, and we had to take a decision as an Administration and we did it, to put CLF into receivership, to put it into liquidation, because the shareholders, the same private shareholders, were telling the Government and the taxpayers more importantly, who they owed 17 to \$18 billion to, "You do not have a piece of paper, we are not signing any document that securitizes the taxpayers' money". But we came in and bailed it out since 2009, and they put their fingers up at the taxpayers of Trinidad and Tobago, said, "We are not signing any extension of the shareholders' agreement. You have no security, you have no documentation, and we are taking over the board." So from 2010 to 2015, no

matter all of the noise that took place, it was never properly unravelled. The taxpayers' money was never properly securitized, and were forced to go to court to fight these private shareholders who had the gall and the audacity to tell the taxpayers of Trinidad and Tobago, yes we may owe you 17 to \$18 million, and as the Attorney General pointed out, without any interest on this loan—

Mr. Al-Rawi: Billions.

Hon. S. Young: Sorry, billion, \$18 billion still owing to the people of Trinidad and Tobago, no interest, no security. So for me to sit here, having come through those different iterations as a lawyer in a commission of enquiry, then in the Government, and then as a conscientious citizen, and to hear that we should delay any further or questions being asked, why we are here today to close these gaps? Unacceptable!

But today we have the opportunity. Let us just pass the legislation. There is absolutely nothing nefarious in here, but that, that is the mode, that is the *modus operandi*. Try and throw a little smoke here, throw a little this here. If you have something to say let us go outside of the Parliament. Let us go outside there, but today this is about giving the regulator the powers that they have requested, the Central Bank, to regulate an industry that has a history in Trinidad and Tobago of hurting the small people. Because I will say something here today on the *Hansard*. Even when the Government intervened in 2009, in early 2010, and the records will reflect this, there were certain people in our society who rushed in to buy policies in Clico in the tens of millions. There were a couple of them, over a 100 million, and then put the pressure on the Government, the UNC Government at the time, because any government who had to deal with it would have been under pressure, put the pressure on them, “repay my money”, because there is a legitimate expectation claim, because when the Government came in they said they would

keep everybody whole. And there are people who made hundreds of millions of dollars, and tens of millions of dollars even in that period. Again, where was the regulator? Where was the law to protect on this occasion the taxpayers of Trinidad and Tobago? And that is what this legislation is here about today.

So without casting any aspersions, without pointing any fingers, I have simply rose to answer the simple questions as why we are here today, to give some contextual background as to the necessity. I humbly suggest for us to pass this type of legislation to protect the small people of Trinidad and Tobago, to protect my constituents in Port of Spain North/St. Ann's West, and all of our constituents. Because there will not be a constituency in Tobago or in Trinidad where people have not suffered at the hands of unregulated insurance companies. And we are now giving the regulator the teeth to go in there, the teeth to say there must be proper due diligence the teeth to say you cannot stand in a company not registered in Trinidad and Tobago, no assets in Trinidad and Tobago, and take the money of the policyholders of the citizens of Trinidad and Tobago and dissipate it and run off. Some of the people who are culpable in this now live away in the fanciest of abodes, and they have not been held to account, but we the taxpayers have suffered. And I am happy to say that it is this Government that had the backbone to take them on, and to fight them in the courts, and to succeed, and to recover the money for the people of Trinidad and Tobago. [*Desk thumping*]

So, Madam Speaker, there is no further need for me to contribute with respect to this Bill. I thank you for giving me the opportunity to say my piece and to put onto the *Hansard* of Trinidad and Tobago a bit of contextual background as to the disasters in the insurance industry that we have had to live with over the past few decades, and today is the day we put an end to it, and we give the regulator the teeth that the regulator needs to ensure that they do not allow that to happen again.

Thank you very much, Madam Speaker. [*Desk thumping*]

6.00 p.m.

Dr. Surujrattan Rambachan (*Tabaquite*): Thank you very much, Madam Speaker. Madam Speaker, let me put on the record in joining the debate, that the United National Congress is for proper governance, for strict governance, for laws, for regulations that protect the assets of the citizens of this country and for ensuring that businesses operate along very ethical lines. Let us make that straight. [*Desk thumping*] And that we are not against strengthening the hand of the regulator and so on.

My colleague for Pointe-a-Pierre was probably raising some issues about the redefinition of acquirer. Time will tell whether, you know, certain things in the Bill as being reformulated is meant to accommodate any particular group, any particular person, any particular company. Time will tell. [*Desk thumping*] I cannot stand up here and do that, time will reveal that to itself. And when that comes, he will be vindicated or somebody else will be vindicated, we do not know.

But, Madam Speaker, I heard some very curious things from the hon. Member for Port of Spain North/St. Ann's West and I thank him for his contribution which was very revealing. But while we speak about giving the regulator more power, he spoke about the fact that the regulator was told by the CLF Group and Clico group and so on, that here are our audited accounts and this is all that we are required to give you and you cannot do anything else but take our audited accounts.

Now, if that is true, is it that the Central Bank as a regulator failed in their duty to go through those supposedly audited accounts and to ensure that those were proper accounts? What was the regulator doing? Did they really exercise the diligence that they needed to exercise to make sure that these accounts that are being

presented to us are really, really true reflections of the state of the company or that they are made up accounts? Because, Member for Port of Spain North/St. Ann's West, through you, Madam Speaker, if that is what is implied, what I am figuring out, then there is a lot to be said about the practices of our auditing firms in Trinidad. Are they preparing accounts to satisfy their clients rather than being truthful to the principles which govern their profession? [*Desk thumping*] That is something that we have to ask.

Hon. Member: Integrity.

Dr. S. Rambachan: The integrity question has to arise. Are they doing that? And in that way, did they practise— were they part and parcel of practising something that redounded to the disbenefit of so many citizens of the country? [*Crosstalk*] And I think—well, cook the books. But this is something that is very, very troubling to me and to hear the learned attorney, and I treat him as a learned attorney now, say that, I think it was extremely, extremely revealing. So it is something that we have to talk, talk about and question; question whether the auditing firms are sticking to the principles of integrity which they have to—may be that is true, Madam Speaker, I am disturbed.

I am further disturbed therefore that the Central Bank is asking for all these new powers and particularly powers of the inspector. But my colleague, the Member for Caroni Central raised a very important point. Who is this inspector and why is it that the inspector is being kept on a continuous process, maybe for about three years now I believe, of being temporary and every six months, I believe, his contract has to be renewed as a temporary position, why? What is it about the inspector that he cannot permanently be placed in the position or that the position be advertised? And does the Minister of Finance have anything to do with approving that temporary appointment every six months? And maybe the Minister

in his wind-up will explain that. Does he have anything to do with that? Does he have any control or is that a matter for the sole decision of the Central Bank Governor, the current Central Bank Governor? I think that is something that has to be asked for, because if you are putting all these powers in the hands of the inspector—you know, it raises question in my mind, let me say it, whether the inspector in the temporary position is in fact really competent to do the job? If the man is competent, appoint him. If you have doubts about his competency, get somebody else to do the job. But I think that if you want to give all these powers to the inspector that we should have somebody permanent in the position and the country must feel secure in the knowledge that this is a competent person whom we are appointing.

Madam Speaker, when the hon. Member for Diego Martin North/East started his presentation he spoke about the Statutory Fund to be replaced by a capital adequacy ratio. Statutory fund, he beautifully defined assets, equal liabilities and what have you. And now saying that the inspector must ensure that there is 150 per cent level of adequacy. Now, it raises several questions. Who is going do the valuation of the assets of the insured companies to ensure that we have values, or is this—who are going to be these valuers? And how are we going to check that these valuers are really providing proper values that show that there is 150 per cent? How are we going to determine who are these valuers and how are they going to arrive at these figures? I think it is something that is important to talk about, because you will have several valuers in Trinidad: Afra Raymond; and you have Brent Augustus; and you have Farrell and so on and so forth, and each one of them has different figures already when they go to value a normal property. Yeah, normal property. Port of Spain valuers if they go to south they do not know south prices and they give you a lower value in south than

they give you in Port of Spain. That is a fact you know, Madam Speaker. And then when you go and present them with all the facts about the valuation, they never even come to visit to see the reality of the situation.

So, there are issues in terms of the valuers themselves. So how are we going to arrive at this and what we will consider to be that this is a true and proper valuation? In other words, are there any laws, for example, that govern the profession of valuers in Trinidad that they can be held to question? So that to me is also an issue. But there is a bigger issue for me in this. I do not think the Statutory Fund was at fault, I do not think so at all. People manage the Statutory Fund and if it is that in cases that the Statutory Fund fell short, it is because the persons charged with that responsibility at the Central Bank did not do what they have to do. So whether you set up capital adequacy ratios or you set up what, if the people there are not policing it as they supposed to be policing it, and if they are not professional and determined that they are going to do a job then they are failing at the governance level. We talk about governance in a country as if government alone governs. No. Governance is something that organizations have to deal with. So capital adequacy is not as much as well intended—I think that the administrative arrangements for compliance need to be strengthened.

Madam Speaker, in that vein, you know, there are so many aspects of our national lives that are suffering from poor administrative arrangements, really, really, poor administrative arrangements. People are not just doing the work that they are supposed to do in this country. It is unfortunate but it is a truth that we have to face and a truth that has to be told. Madam Speaker, I am very happy with certain aspects of this Bill, mind you. I am very, very happy. For example, I am happy with clause 61 of the Bill. I am very happy with clause 61 of the Bill because clause 61 of the Bill is something that corrects a great, great, deal of

problems and pain that a lot of people face. And clause 61 of the Bill seeks to amend section 197(a):

“...by deleting”—the existing—“words ‘showing all policies in respect of which amounts remain unpayable by the insurer for a period of seven years’ and substituting”— it with— “the words ‘showing all policies in respect of which there is unclaimed money.’”

I think that is important.

So my understanding of this, somebody could have lost their money if they did not claim it after seven years. Now, as long as the proceedings are initiated and the process of recovery goes on, the persons can no longer lose their money. And I think this is very good. I think this is excellent, this is on the side of the consumer and I think we need to do more in this country with laws like this, where people “skim the cream” and leave people in the ditch as it were. We need to do that. So I am very happy, very, very happy with that section.

The other section I am very happy with, Madam Speaker, and I say these things also for the benefit of the public, because sometimes they do not know it, is clause 60. Clause 60 of the Bill which seeks to amend section 180 of the Act, removing the distinction of an ordinary policy and to provide for the non-forfeiture of any policy due to non-payment of premiums while protecting the rest of the legislation that if a policy has value then it can be applied to the premiums and so on. So this in itself, to me, is something that is also very, very important in the Bill.

Madam Speaker, clause 70 of the Bill is something that I need clarification on because it is something that disturbs me. Now clause 70 of the Bill seeks to amend section 253 of the Act:

“...by deleting the words ‘, the Board’ wherever they occur.”

I am not a lawyer so I could be reading the legislation wrong, I am subject to misinterpretation. But it says here:

“...by deleting the words ‘, the Board’ wherever they occur”— to remove any decision or act of the Board of Directors of the Central Bank from being the subject of an Appeal to the High Court.

Now I would like to really understand what that means. Does this mean that the Board of Directors of the Central Bank, if they make decisions, they are exempt, it removes—that it is not subject to an appeal to the High Court? What does this really mean? As I said, I am not lawyer, therefore I might be misinterpreting the language and I need clarification on this, is clause 70 of the Bill, it seeks to amend section 253 of the Act:

“...by deleting the words ‘, the Board’ wherever they occur...”

—and I have a comparison of it here that I did, the old and the new of the Central—of being the subject of an appeal to the High Court.

Now, if my interpretation is right that the Board— the acts and decisions of the Board would not be subject to an appeal to the High Court, what does it mean for other boards of directors in other state companies and institutions?

Mr. Al-Rawi: Thank you, hon. Member. I can perhaps give you some comfort. It is to cause a harmonization with the FIU. So the Board, which is the Board of Inland Revenue is not mentioned in section 112 of the FIU, and therefore, this is just simply to make this in harmony with the FIA itself. It is not that the purpose to avoid appeals, et cetera, one cannot stop the right of acting on a decision. So it is not the Court of Appeal we are looking at all, right. We are just harmonizing here with the FIA, the Financial Institutions Act and what I can do is that I can probably pull that up in the meanwhile to, at committee stage show it to you so perhaps you could be better comforted.

Dr. S. Rambachan: Are you saying the word “Board” here does not refer to the board of the Central Bank? It refers to the Board of Inland Revenue.

Mr. Al-Rawi: Yeah.

Mr. Imbert: Thank you, Member, for giving way. If you read the clause you will see immediately before the word “Board”, the Central Bank.

Dr. S. Rambachan: I saw that.

Mr. Imbert: So it is obviously not the board of the Central Bank.

Dr. S. Rambachan: I saw that but I need to ask. I take the position of being uninformed, unintelligent citizen of the country who would read it, who does not have legal experience and will want to understand. I think one of the things that we have to do in this Parliament [*Desk thumping*] is to speak to the man down there who feels the pain and not to the fella here who enjoys the luxury life that the Member for Port of Spain North/St. Ann’s West spoke about, who have taken the money and gone away and enjoying luxury life. That is what I am concerned about. So if I ask the question, I ask the question for my own elucidation, but also elucidation of people outside.

And then I am very happy, Madam Speaker—[*Interruption*]—yes, sure.

Mr. Al-Rawi: Thank you again. You have raised an important point so if I could just deal with it quickly. So section 253 says:

“(1) Except where otherwise provided...an appeal shall lie to a Judge of the High Court from any decision, direction, refusal, ruling or order of the Minister, the Central Bank”—which is the whole of the Central Bank. It includes any aspect of it which obviously is the board of the Central Bank, right—“the Board”—here was the Board of Inland Revenue, but because they are not making any decisions there it is really superfluous. They mistakenly put inside of there—“or the

Inspector given...”

So specifically it is to allow you to go to the High Court against any decision that they make. It was a mistake to include the board, meaning the Board of Inland Revenue, so we are just taking that out to bring it into harmony with the Financial Institutions Act.

Dr. S. Rambachan: Great, thank you. Clause 71 of the Bill, financial fraud and policyholders. I think that is something that is very important. You know the whole question of fraud in this country, including land fraud is a big thing. But clause 71 which seeks to amend 255 of the Act to insert the words “agent or broker” after the words “sales representative” to increase the scope of persons who may be liable for utilizing policyholders’ funds for their own benefit and commits financial fraud on policy holders.

Now, this is a very serious aspect of this Bill and I concur with it, because there are professions where people collect a lot of money, hold it in there escrow, for example, invest it and for years people cannot find their money. And people operate sometimes with the basis of trust in this country, eh, and they give you—they will drop by “nah” and they will give you the \$4,000, sometimes in cash and to pay their house owners policy, because I do not have time and suddenly they do not have a policy, something happens and then they realize that this has not happen.

These are real things that are happening in the country and this is part of the process of what the Parliament is about. We ought to protect people and I am all for this kind of legislation that aims to widen the scope of persons who might be tempted to perpetrate fraud by mis-utilizing the funds of policyholders for their benefit and committing a fraud on the policyholders. It is happening. Let us not bury our heads in the sand. It is happening and happening as we move along.

So, Madam Speaker, these are some of the issues that I am very happy with in the Bill and I, with these few words, I support most of what is in this legislation, I do, because as I said, our party and as a Government we are committed to acting on behalf of the people of Trinidad and Tobago and protecting their interest. Thank you, Madam Speaker. [*Desk thumping*]

The Minister of Finance (Hon. Colm Imbert): Thank you, Madam Speaker. Just to clarify a point raised by the last speaker, if you look in that clause, that section that was of concern to the hon. Member and let me just go through it slowly. I do not accept your definition of yourself, through you, Madam Speaker; I do not accept your own definition of yourself—I do not accept the hon. Member’s definition of himself, where he defined himself as uninformed and unintelligent, et cetera. I do not accept that at all. So when one looks at section 253 of the Act, the Act—before the word “Board” the Act refers to a number of entities including the Central Bank. The Central Bank is a body corporate established by the Central Bank Act. So that to insert the word “Board” there is really redundant, because you are already creating a situation with the Central Bank as a whole, is responsible and can be questioned by a court. I just want to make it very clear, okay, since you are obviously informed and intelligent.

So let me now deal with the Member—the contribution of the Member for Pointe-a-Pierre. I was very confused at the concepts. Some of the concepts, some of the ideas that were raised had me looking at the meaning of a particular word, the word is “piffle”. And I was looking for synonyms of the word “piffle”. And they include: Horse feathers, malarkey, hokum, twaddle and tommyrot. The ideas, the ideas that were floated out had me thinking of various synonyms of the word “piffle” including—yes, drivel is one, including tommyrot. [*Desk thumping*] But be that as it may, after I ruminated on all the synonyms of the word piffle, I wanted

to make it clear that we in this Parliament expect Members to read the Bill before the House at least. That is the barest minimum that is expected of an MP. When you come to debate and you want to make a big to-do and brouhaha and make a set of confusion, at least read the Bill.

One of the things that bothered the hon. Member the most was an amendment which dealt with foreign companies and the hon. Member sought to give the impression that we were creating some sort of favourable regime for foreign companies by deleting a requirement for their owners and directors to be identified, completely missing the point that in the Insurance Act there will no longer in foreign companies in Trinidad and Tobago. They would no longer exist in the insurance industry. They have been eliminated from the paradigm, all persons and entities carrying out insurance business must now be companies incorporated in Trinidad and Tobago.

So foreign companies no longer exist in the insurance industry and therefore the idea of requiring the identities of the owners and directors of foreign companies to be known is a nonsense and that is why we took it out. It is no longer relevant.

Mr. Al-Rawi: Have to be local.

Hon. C. Imbert: All insurance companies now have to be local. In addition, despite the fact that I had indicated at the beginning of my presentation that the amendment before us had been recommended by the Central Bank, which is the entity that has to implement the law, the entity that has to regulate the law and the Central Bank was very careful to make sure that it covered as much as is humanly possible. I suspect there may be still one or two anomaly somewhere which will be dealt with in due course, because that is how laws are refined and fine-tuned and improved as time goes by. That is why you have a Law Revision Committee to look at laws and see whether, you know, there are anomalies in them. But the

Central Bank took its time, looked at the Act very carefully, they were part of its preparation in the initial stages, they came to the Joint Select Committee and so on. And the Central Bank asked for some time after the law was passed to take another look at it and to have further consultation with the industry just to make sure that when the Act is finally proclaimed and amended that they would be smooth as possible and operationalization of the Act. I said that. And therefore, for the Member for Pointe-a-Pierre to say, “What is the reason for all of this, who came up with these amendments, is there some sinister dark motive, is it designed to help somebody?”— is just like those ideas of which led me to thinking of synonyms of piffle.

But, Madam Speaker, it is the ideas that I have a problem with, eh. But, Madam Speaker, there was another prosperous proposition uttered by the Member for Tabaquite asking for tighter regulations and definitions of capital and then the Member went off into a journey, an adventure into property valuation and complained that property valuers in Trinidad and Tobago give different values for different things, just went off on a frolic of his own, Madam Speaker. And what shocked me, what bothered me the most is that the Member for Tabaquite was a member of the Joint Select Committee that interrogated this Bill, that interrogated stakeholders, that examined every single one of its 285—the Insurance Act I am referring to, examined every single one of its 285 clauses, looked at all the provisions for capital adequacy, heard every explanation given as to how capital adequacy is derived, agreed with it all, signed the report of the Joint Select Committee which implement—which will bring into law the Insurance Act and now coming, after having done that last year, 2017—actually, September 2017, two years ago, having agreed with everything, having understood everything, having understood how capital will be assessed and how its value will be

determined and agreed to it, coming and asking now, how are we going to make sure that capital adequacy is determined properly?

I am just astonished. It reminds me of the first Standing Finance Committee we had in the Parliament after the Government changed. And we were looking at the budget for fiscal 2016 and we came to the maintenance of constituency offices and the Member for Tabaquite asked me, why the sign to his office, which had fallen down apparently when he was the Minister of Works, why it was not repaired by the UNC Government? That was the question posed to me. That his sign had fallen down when the UNC was in Government, he was the Minister of Works, his Government and himself did not repair his own sign in his own office and I come in now, fresh Minister of Finance and he is asking me how come my Government—he is talking about him—how come the UNC Government did not fix the sign when he was in Government. I had to ask him ask yourself, ask yourself [*Desk thumping*] ask yourself. It just reminds me of this. You, hon. Member—he was a Member of the Joint Select Committee, he signed the report, he agreed with the Act, now asking me how to determine capital adequacy. Absolutely ridiculous.

But, Madam Speaker, what bothers me is that they just go off on this frolic assuming, making wide assertions that contained in the assessment of capital adequacy will be properties and real estate which could be valued by Tom, Dick and Harry at different values and one of them may be right, one of them may be wrong, the company will collapse, that is not what capital adequacy is. It is cash. It is money. [*Desk thumping*]

So really, hon. Members, when you come to debate read the Bill, read the Bill. And the Member for Caroni Central, I mean, really, who was the Chairman of the Audit Committee at Clico, coming to ask about—[*Crosstalk*—]true, I

understand the Member never convened a meeting, so maybe he was not the chairman because there were no meetings of the Audit Committee—

Hon. Member: Five years.

Hon. C. Imbert: For five years while he was there, a director. But, you know it is only in Trinidad and Tobago that somebody who was a director of a failed insurance company was a member of its audit committee. We would not quibble over whether he was chairman or not, responsible for internal audit, responsible for ensuring that that company had capital adequacy, in control of interrogating the company's assets and liabilities to determine whether it could meet its liabilities. Somebody of that ilk will come in the Parliament and want to talk about why Clico collapsed. Only in Trinidad and Tobago that could happen. This is a unique country, unique country, somebody who was present participating, responsible involved was interrogated at a Commission of Enquiry could not answer properly, but come inside here and want to know why did Clico collapse.

6.30 p.m.

It is only in Trinidad and Tobago that these things could happen. It reminds me of something I was told—just as an aside, Madam Speaker. I am not going to spend too much time on this, but in a previous debate I spoke about the fact that my predecessor had entered into an ill-advised foreign swap losing hundreds of millions of dollars for the country of Trinidad and Tobago. You know in the other place one of the UNC members said it is my fault. You know why? Because I should have realized that they did “chupidness”, and I should have determined the foolishness that they did sooner than I did so it is my fault. It is my fault because I should have known they did nonsense. That is the kind of arguments you have in Trinidad and Tobago. Only in Trinidad and Tobago can these things happen.

So, Madam Speaker, these amendments have been driven by the regulator.

There is widespread agreement in the industry around them. These are not amendments promoted by the Government. The Government has simply accommodated the request of the regulator. We do not want another Clico to happen, and in addition, I was amazed to hear the Member for Tabaquite talk about giving the regulator additional powers. One of the clauses actually reduces the powers of the regulator. In the parent Act, which we passed, the regulator could issue compliance directions for a breach of any law. We have now reduced that power of the regulator to specific compliance directions, dealing with specific matters related to the insurance industry.

So no longer does the regulator have the power to go and issue directions with respect to anything under the sun. It now must be consistent with the subject matter that he has responsibility for. So we have reduced the powers of the regulator in this amendment Bill. We have not increased them. So it just shows hon. Members do not read, they do not do their homework, and just come up and throw up conspiracy theories like the Member for Pointe-a-Pierre— had nothing to say except to throw up smoke and mirrors, and “calling people name”, Mr. Dingwall. Mr. Dingwall is no longer an employee of the Central Bank. He no longer works for the Central Bank. His contract came to an end and he left the employ of the Central Bank. And for the record, there is no way he could be benefiting from some sort of alleged cover-up that the hon. Member for Pointe-a-Pierre threw into this House just into thin air like smoke. A figment of his imagination. [*Desk thumping*]

Mr. Dingwall no longer works for the bank, but what is interesting is that Mr. Dingwall was brought into the employ of the bank by the former UNC Governor, Mr. Jwala Rambarran. He is the one who brought Dingwall and that is what they are like. They feed on their own. You know there are creatures in the

world, they eat their own children, you know. They eat their own children. It is a UNC Governor that brought Mr. Dingwall, and now they decide to criminalize Mr. Dingwall, they just “throw out” his name— do not even know who the man is. And let me tell you something, I want to put on the record here that in my meetings with Mr. Dingwall, Mr. Dingwall conducted himself with the utmost professionalism. [*Desk thumping*] It is just wrong to dirty and tarnish people’s names. I reject any assertion of any kind. I beg to move. [*Desk thumping*]

Question put and agreed to.

Bill accordingly read a second time.

Bill committed to a committee of the whole House.

House in committee.

Clauses 1 to 82 ordered to stand part of the Bill.

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

House resumed.

[MR. DEPUTY SPEAKER *in the Chair*]

Mr. Deputy Speaker: Minister of Finance.

Hon. C. Imbert: Thank you, Mr. Deputy Speaker. I wish to report that the Insurance (Amdt.) Bill, 2019 was considered in committee of the whole and approved without amendments. I now beg to move that the House agree with this report from the committee.

Question put and agreed to.

Bill reported, without amendment, read the third time and passed.

ADJOURNMENT

The Minister of Health (Hon. Terrence Deyalsingh): Mr. Deputy Speaker, I beg to move that this House do now adjourn to Friday 8th February at 1.30 p.m. At that time we will do doing Motion No. 3, debate into the Joint Select Committee Report

Adjournment

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on Gambling (Gaming and Betting) Control Bill, 2016. Thank you very much.

Mr. Deputy Speaker: Hon. Members, there is one matter that qualifies to be raised on the Motion for the adjournment of the House. I will now call on the Member for Tabaquite.

**Regional Corporations
(Permission for the Procurement of Materials)**

Dr. Surujrattan Rambachan (*Tabaquite*): Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, the matter on which I rise reads as follows: the process to grant permission for the procurement of gravel, tractor cut quarry material, porcelanite and Guaracara stone gravel boulders, as well as oil sand from state land for repairing roads and traces under the purview of the regional corporations.

Mr. Deputy Speaker, you would have read recently on the Manzanilla/Mayaro stretch, someone lost their life because they tried to get away from a pothole. There are thousands, literally thousands of potholes in this country on the main highways, and it appears to me that the Government is not doing as much as they need to do in order to fill those potholes, but more importantly to protect the lives of people.

Secondly, Mr. Deputy Speaker, in the rural communities in particular, in the Siparia Regional Corporation, the Penal/Debe Regional Corporation, the Sangre Grande Regional Corporation, the Mayaro Regional Corporation and the Couva/Tabaquite/Talparo Regional Corporation, there are numerous, hundreds of traces, hundreds of roads where people live, rural communities where people must commute from because they just cannot move out there and abandon their homes and what have you, and their roads are in a terrible state. And at the same time, Mr. Deputy Speaker, when the now Minister of Energy and Energy Industries was doing consultations on local government way back after 2015/2016, somewhere in South Trinidad, he promised that he will allow the Siparia Regional Corporation to

go and mine gravel and oil sand from those areas where they could be mined, in Guapo or in other areas.

Mr. Deputy Speaker, I have spoken recently to the Minister of Works and Transport, Mr. Rohan Sinanan. I, as a former Minister of Works, know that a lot of oil sand is being dug up in the Guapo area and stored in heaps that can be used to repair roads. All you got to do is to allow the trucks from the regional corporations with their backhoes to go and pick it up and begin to distribute it throughout the country. In Sangre Grande, there is an old URP quarry that used to be used from where good material was also dug up during my time and we were repairing traces with it.

Mr. Deputy Speaker, to have to come to the Parliament to ask the Minister of Energy and Energy Industries—well, in this case—with the permission to pick up this material or to get this material is a very painful exercise. But when lives are being lost, when domestic tourism is being affected like it is being affected at Harry's Water Park on the Tabaquite Road because the road is in a dilapidated state, Mr. Harry himself from the park there, and Mr. Sat Sookdeo from Xtra Foods, got together and approached Mr. Rohan Sinanan, approached the now Technical Director, Mr. Ramsingh, approached the new Director of Highways, and all they are being told by them is that we do not have the money to do anything. At \$690 to \$700 for a ton now of asphalt, you tell me this Government does not have money to buy asphalt to fix some of these roads on the highway? And that is what I am saying. So if you cannot do it, allow us as the UNC-controlled regional corporations to go out and do the job you cannot do and we will do it. [*Desk thumping*]

I have before me here something that is very disturbing. When we wrote to the Minister of Energy and Energy Industries—and I have all the letters from the

Siparia Regional Corporation and it seem that it was just about the time that they would have gotten permission to do it. The hon. Member for La Brea, hon. Nicole Olivierre, wrote two letters in the month of September virtually objecting to that happening, objecting, set up one of her constituents as it were to write a letter, and she herself wrote two letters here signed by her, “Re: Fortune McCarthy Street as access road, request for community consultation”. Request for community consultation when people are dying on the roads and people have mud that they must drive through [*Desk thumping*] is a way of denying people in those rural communities and you call yourself a caring Government?

On the first day you came into this office and we debated, you said you are in charge, in charge of what? In charge of denying people the right to access their roads. [*Desk thumping*] This is absolute nonsense that is happening in the country, and therefore, I am very happy to see the Minister of Energy and Energy Industries come here and not just the Minister of Rural Development and Local Government. You might be smiling and you may be laughing your heads off at what I have to say to you today, but I want to tell you something. The President when she stood there and said that the people are hurting, it is our issues like this that the people are hurting about. [*Desk thumping*] You think people are concerned with all this discussions we just had in the Insurance Bill? The people want to know whether their child on a morning, they do not have to put on plastic on their shoes and walk them out so they would not go in the mud to go to school—

Hon. Member: Plastic bag.

Dr. S. Rambachan: That is what they want to know. [*Desk thumping*] So if you live in your highfalutin houses and you just come out of your car and you drive in your Mercedes Benz and your BMWs, then remember that there are people out

there who have to walk through the mud. [*Desk thumping*] When there are porcelanite quarries in South Trinidad, in Palo Seco, porcelanite quarries in Erin on state lands, Mr. Minister of Energy and Energy Industries. Mr. Minister of Energy and Energy Industries, your Government just gave \$9 million to National Quarries to buy a new crusher and to do something. Every quarry making money in this country except National Quarries and you financing them again. [*Desk thumping*] Tell me something, for the money that they owe to you can you not take material that they are mining and give it to Agua Santa who cannot buy materials so Agua Santa can produce some asphalt to fix these roads? [*Desk thumping*] Why can you not have a bartering and an exchange, Mr. Minister of Finance? They owe you money.

Mr. Imbert: They owing me?

Dr. S. Rambachan: Yes, because they owe you money. You know what they owe you. Go right up to Lake Asphalt and find out what inventories Lake Asphalt have that are necessary to produce asphalt. Find out what inventories Petrotrin still has and take the material for the money that they owe you so that this country can benefit from it. [*Desk thumping*] You know, you lack so much imagination, you lack some much creativity that you cannot put the pieces of the puzzle together so that the people can benefit.

You do not think in multiplicity of ideas. You think just in yes and no, and you continue to say no or yes when today what I want you to do is to put all the pieces together and allow us as the region. Look, I went further, Mr. Minister of Energy and Energy Industries, I cannot show the pictures, but I had identified the areas—I have all the pictures. I will give it to you—where the quarries are, where the oil sand is, and everything else. I have everything here that I can give to you. I have done the research together with Councillor Shankar Teelucksingh from—

Regional Corporations
Dr. S. Rambachan

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

Dr. S. Rambachan: Mr. Deputy Speaker, every morning—

Mr. Indarsingh: How many potholes—

Mr. Deputy Speaker: Couva South, please.

Dr. S. Rambachan:—I have told the Member for Fyzabad, after Ralph Narine Trace somebody is going to lose their life there, and tomorrow morning I am taking material and I am going to fix that Main Road in Avocat [*Desk thumping*] because somebody is going to lose their life there. But somebody lost their life in Manzanilla. Did I hear one Member of the PNM say sorry to that family? The Member for Mayaro did.

Mr. Deputy Speaker, I plead not just to hear we will do it. I plead because I have gone further and I have a resolution from the Couva/Tabaquite/Talparo Regional Corporation where they moved a resolution to provide all the equipment, and so too the Siparia Regional Corporation, in order to go and collect this material and begin to distribute it to everywhere that people need material to fix their roads. I thank you, Mr. Deputy Speaker. [*Desk thumping*]

The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan): Thank you very much, Mr. Deputy Speaker. Mr. Deputy Speaker, the Member for Tabaquite is one of the most decorated Ministers of the UNC administration. He served as Minister of Foreign Affairs, he served in the two key Ministries he is now complaining about, Ministry of Works and Ministry of Local Government. [*Desk thumping*] However, let me get to the point.

Mr. Deputy Speaker: Minister, one second. Again, Members, let us hear the Minister of Energy and Energy Industries.

Sen. The Hon. F. Khan: The Motion writes the process of granting permission for gravel, porcelanite, Guaracara boulders—which I call Guaracara limestone—

oil sand to repair minor roads.

In the distribution of aggregates in Trinidad, the gravels are restricted to the foothills of the Northern Range. Porcelanite, as he rightfully said, is a big clique that exists largely in the south-western peninsula, in Buenos Ayres, in Erin and that area. It is a very poor quality aggregate for roads. It obviously cannot be used on major roads, but there is a market for minor roads.

Dr. Rambachan: Oil field roads are built in—

Sen. The Hon. F. Khan: No, oil field roads were built with San Fernando Hill material.

Dr. Rambachan: No, I built it.

Sen. The Hon. F. Khan: The San Fernando agalites.

Dr. Rambachan: I built it.

Sen. The Hon. F. Khan: Guaracara limestone is an aggregate that is used largely in cement manufacturing like TCL, but there is some potential there to use the Guaracara limestone in road construction. And then oil sand, there are two major oil sand quarries. One is which is called the Stollmeyer Quarry in Guapo which is a private entity—it is not state—and there are oil sand deposits in Parry Lands which EMBD has the licence to mine.

In principle, I will be the first to admit that there are minor roads in need of repair, and the Ministry of Energy and Energy Industries can work with the Ministry of Rural Development and Local Government to see if we can come to some consensus as to how we do it. But before I go there, this country, as much as we rant and rave, is governed by laws. In accordance with section 12(1) of the Minerals Act, Chap. 61:03, and I quote:

“...no person shall explore for, mine, process or import or export minerals except under the authority of a licence issued under this Act.”

Therefore, any entity, whether state-owned or privately owned that wishes to extract mineral resources is required to obtain a mining licence from the Ministry of Energy and Energy Industries. I “cyar” come and tell you go and excavate oil sand you know. This is legislation that was passed in 2014.

Hon. Member: “Nahhh.”

Sen. The Hon. F. Khan: This is revised Minerals Act that gives stringent conditions for the award of mining licence. [*Crosstalk*]Further, mineral resources required for projects under the purview of the regional corporation. The regional corporation like any entity, be it National Quarries, be it Mr. X, Y or Z, has to go through the process and apply for the mineral licence. The Minister nor anybody in this Government including the Prime Minister cannot tell you, “Yes, go and mine.” There are other state agencies that you have to build a nexus with. On the foothills of the Northern Range in the gravel zone, there is National Quarries. You just criticized National Quarries and say everybody else making money except National Quarries. I will tell you privately why National Quarries is not making money, but I will not say it here in the Parliament.

On the porcelanite, there are some privately operated porcelanite quarries in the south-west. Guaracara, there is some room for that, and the main thing as I mentioned, the Guapo oil sand quarry is Stollmeyer-owned and operating, and the Parry Lands quarry are operated by EMBD. So the process—and that is what the Motion asked for—is a detailed process because you have to understand, Mr. Deputy Speaker, that mining is a dirty operation, and in the environmental atmosphere of the modern society there are regulations as to how you mine, your mining plan, that all has to be approved by the Town and Country Planning Division, by the EMBD. You have to place, most importantly, under the new regulation that was piloted by the UNC, you have to replace a rehabilitation bond

because what has happened in the past that people just “mine out” the land and leave it as it is. It is an eyesore.

So do not say that the State is not carrying out its responsibility, and it is stopping the regional corporation from going and mine. The regional corporation has to comply with the law. If the regional corporation wants to operate a quarry, all they have to do is apply to the Minister of Energy and Energy Industries, or the Ministry of Energy and Energy Industries, I should say, and qualify under the terms and conditions of the Act and regulations, and I see no issue in issuing or recommending to Cabinet the issuing of a mining licence once it is state lands. Okay? But you just cannot sit down and say because we are a UNC corporation, the PNM is pressurizing you so “ah cyar” go and take oil sand from the quarry in Stollmeyer, or “ah cyar” do this, or “ah cyar” do that, “cyar” do the other. You just cannot go on the Guaracara/Tabaquite Road which is your constituency [*Desk thumping*] and just “take up limestone so”. [*Desk thumping*] But you—

Mr. Deputy Speaker: Member for Tabaquite, please. [*Crosstalk*] Go ahead, Minister of Energy and Energy Industries.

Sen. The Hon. F. Khan: Writing me a letter indicating you want permission to go and take oil sand from Mr. Stollmeyer’s quarry does nothing to you. What you have to do is check the regulations, see if you qualify, comply with the regulation and make a proper application for a mining licence, and it will be granted once you meet the pre-requirements. Okay? So you have to understand that this country is governed by laws and regulations. It is ordered, and while this process— you can claim it is sort of convoluted, if properly managed it will work and it has worked. [*Desk thumping*]

In the interim, I could speak to the Minister of Rural Development and Local Government and see if we can come to some plan to see if we can assist the—

[Interruption]

Mr. Imbert: You going to break the law.

Sen. The Hon. F. Khan: No, I am not going to break the law—if we can assist the regional corporation with established quarry operators and see if some plan to be put in place. But I cannot, based on my Oath of Office, deliberately break the law and allow the—

Mr. Deputy Speaker: Two more minutes, Member.

Sen. The Hon. F. Khan:—regional corporation to go and mine arbitrarily. So, Mr. Deputy Speaker, this is the state of play as it relates to the mining sector, and I think the Member for Tabaquite is ill-advised in bringing a Motion of this nature.

[Desk thumping]

Mr. Deputy Speaker: Leader of the House.

Hon. T. Deyalsingh: Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, I just want to correct my earlier statement when I said that Parliament will resume next week Friday on the 7th, it is actually next week—on the 8th, sorry. The actual date is next week Friday, the 7th of February, not the 8th. I do apologize.

Hon. Member: What time?

Hon. T. Deyalsingh: 1.30 p.m.

Question put and agreed to.

House adjourned accordingly.

Adjourned at 6.58 p.m.