

SENATE

Monday, January 25, 2016

The Senate met at 1.30 p.m.

PRAYERS

[MADAM PRESIDENT *in the Chair*]



**FINANCE (VARIATION OF APPROPRIATION)
(FINANCIAL YEAR 2015) BILL, 2016**

Bill to vary the appropriation of the sum the issue of which was authorized by the Appropriation (Financial Year 2015) Act, 2014 and varied by the Finance (Variation of Appropriation) (Financial Year 2015) Act, 2015, brought from the House of Representatives [*The Minister of Finance*]; read the first time.

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

Question put and agreed to.

JOINT SELECT COMMITTEE REPORTS

(Presentation)

Public Procurement and Disposal of Public Property

(Amdt.) Bill, 2015

The Minister of Rural Development and Local Government (Sen. The Hon. Franklin Khan): Madam President, I have the honour to present the following report as listed on the Order Paper in my name:

Interim Report of the Joint Select Committee appointed to consider and report on the Public Procurement and Disposal of Public Property (Amendment) Bill, 2015.

Whistleblower Protection Bill, 2015

Sen. Foster Cummings: Madam President, I have the honour to present the following report as listed on the Order Paper in name:

Interim Report of the Joint Select Committee appointed to consider and report on the Whistleblower Protection Bill, 2015.

URGENT QUESTION**Government Retirees****(Overdue Pension Payment)**

Sen. Wade Mark: Thank you, Madam President. To the hon. Minister of Finance. What can the 35,000 government retirees—when, rather. May I rephrase, Madam President? When can the 35,000 government retirees who were not paid last week Friday, expect to receive their now overdue pension income?

The Minister of Finance (Hon. Colm Imbert): Today.

Sen. Mark: Madam President, could the hon. Minister indicate at what time today?

Hon. C. Imbert: By the close of business today.

Sen. Mark: Is that an undertaking that he, the hon. Minister of Finance is giving government retirees that by the end of this—*[Interruption]*

Madam President: Sen. Mark, no. That is not a supplemental. I think the Minister—unless you have another supplemental.

Sen. Mark: I am happy that—

Hon. C. Imbert: Ask a supplemental.

ORAL ANSWERS TO QUESTIONS

The Minister of Rural Development and Local Government (Sen. The Hon. Franklin Khan): Madam President, the Government would like to inform this Senate that we will be answering questions No. 17 and No. 18 and we kindly seek

a deferral of question No. 19 for one week.

The following question stood on the Order Paper in the name of Sen. Wade Mark:

**Housing Development Corporation
(Details of Qualifying Income Ceiling)**

- 19.** In light of the Government's decision to lower the qualifying income ceiling in order to access HDC homes from \$45,000 to \$25,000, could the hon. Minister of Housing and Urban Development indicate to the Senate whether it is the intention of this PNM Administration to revisit and/or review this policy decision?

Question, by leave, deferred.

**Trinidad Generation Unlimited
(Details of)**

- 17. Sen. Wade Mark** asked the hon. Minister of Finance:

Could the Minister inform the Senate how much money Trinidad Generation Unlimited was able to raise and the terms on which it was raised, and whether these moneys have been paid to the Government as a dividend?

The Minister of Finance (Hon. Colm Imbert): [*Desk thumping*] You just love me, eh. Madam President, Trinidad Generation Unlimited secured the first of two short-term bridge financing facilities at TT \$960 million equivalent to US \$150 million on September 30, 2015, and paid this sum to the Government as part repayment of its advances for the construction of the power plant. TGU is currently negotiating a second short-term bridging facility at US \$150 million which will also be used for the partial repayment of the advances. On completion of the second short-term payment, TGU intends to begin negotiations for a long-term financing facility to complete the repayment of the full sum advanced by the

Government. The sums advanced are being treated as a debt owed to the Government by TGU. None of the sums borrowed will be used to pay dividends.

Sen. Mark: Madam President, could the hon. Minister of Finance indicate to this honourable Senate what was the sum advanced by the Government to the particular entity in question?

Hon. C. Imbert: That is not a supplementary question, and I would not want to give an imprecise answer at this point in time. My understanding is that it is in the vicinity of US \$700 million, but I do not wish to give an imprecise answer at this point in time. So if you pose the question I will give you a precise answer.

Sen. Hadeed: Madam President, to the Minister of Finance. Is this the same TGU plant he indicated to—the Minister indicated to me that the Government did not own?

Hon. C. Imbert: That also does not flow from the question. But the answer is, yes.

Director of the Strategic Services Agency

(Details of)

18. Sen. Wade Mark asked the hon. Minister of National Security:

- A. Could the Minister of National Security tell the Senate whether the Director of the Strategic Services Agency has been replaced and by whom?
- B. If the answer to (A) is in the affirmative, could the Minister state the reasons for the replacement or removal of the Director of the Strategic Services Agency?

The Minister of National Security (Hon. Maj. Gen. Edmund Dillon): [*Desk thumping*] Madam President, hon. Members are advised that effective November 13, 2015, the director of the Strategic Services Agency, Mr. Bisnath Maharaj, was

relieved of his duties as head of the organization. Mr. Mathew Andrews, a seconded police officer, was appointed as the interim director until a substantive director is appointed.

Part B, following the initiated review of the national security infrastructure, there were administrative, structural and personnel changes within the SSA. One such change was the replacement of the director which was done under the authority of section 4(1) of the Strategic Services Agency Act.

I also want to add, Madam President, hon. Members are also advised that the Cabinet at its meeting held on January 07, 2016 agreed to the appointment of Colonel George Robinson (Retired) as the Director of the Strategic Services Agency for a period of two years.

Sen. Mark: Madam President, the hon. Minister, just said that there were other changes to personnel. Would he be in a position through you, Madam President, to indicate to this honourable House, what were the additional changes to the personnel at the SSA?

Madam President: No. Sen. Mark, that does not fall within the—[*Interruption*]

Sen. Mark: No. No. From his answer.

Madam President: Yes, I know. No, but the answer relates to the question and that is going a little beyond the answer and the question.

Sen. Mark: Madam President, he did indicate in his response.

Madam President: I have already ruled. You can ask another supplemental.

DEFINITE URGENT MATTER

(LEAVE)

Alarming Murder Crime Rate

Madam President: Sen. Mark, sorry.

Sen. Wade Mark: I want to know if you were forgetting. Anyway. Thank you

very much, Madam President. In accordance with Standing Order 16, I seek leave to move the adjournment of the Senate for the purpose of the discussing a Definite Matter of urgent public importance, the murder of 39 citizens of Trinidad and Tobago within a period of 24 days.

Madam President, the matter is definite as it concerns the alarming rate in the crime of murder for January of 2016. The matter is urgent because it points to an uncontrolled and indiscriminate slaughter of citizens on a daily basis, and therefore it must be immediately addressed. And the matter is of public importance because the murders are not confined to any specific group or community and is causing nationwide concern, Madam President.

Madam President: Hon. Senators, I am not satisfied that this matter as presented qualifies under this Standing Order. I therefore advise that the Member pursue this matter under Standing Order 15.

**FINANCE (VARIATION OF APPROPRIATION)
(FINANCIAL YEAR 2015) BILL, 2016**

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

That a Bill to vary the appropriation of the sum the issue of which was authorised by the Appropriation (Financial Year 2015) Act, 2014 and varied by the Finance (Variation of Appropriation) (Financial Year 2015) Act, 2015, be now read a second time.

Madam President, it is my intention to be extremely brief and non-contentious today [*Desk thumping*] so that we can all go home early. This is a finance Bill which has been passed in the lower House. The Bill provides for the variation of the 2015 appropriation in the sum of \$200 million to bring to account expenditure funded by an advance from the Treasury Deposits in fiscal 2015.

The Head of expenditure for which additional funding is being proposed by way of a variation of appropriation is under Head 69, Ministry of Works and Infrastructure, whereby an increase of \$200 million is being sought to retire an advance made from the Treasury Deposits to honour financial obligations associated with the extension of the Solomon Hochoy Highway to Point Fortin project since the agreed long-term financing arrangements on the local and international market have not yet been sourced.

Senators are asked to note that in accordance with section 17(1)(b) of the Exchequer and Audit Act, Chap. 69:01, advances from the Treasury Deposits are recoverable within 12 months after the close of the financial year in which the advances are made. So we have quite a bit of time there.

1.45 p.m.

At this point I would like to address this specific Head of expenditure for which a reduction in the sum of \$200 million is proposed, the source of the funding, which is Head 40, Ministry of Energy and Energy Affairs. It should be noted that following a review of the 2015 accounts, savings were identified under the sub-item subsidy, sale of petroleum products. This was primarily because of the decline in oil prices and its ensuing impact on petroleum product prices at the refinery, which in turn caused a significant reduction in subsidy terms.

In summary, the average oil price and the average price of petroleum products at the refinery were substantially lower than anticipated when the subsidy was determined for fiscal 2015. And this has realized a saving of \$200 million, which is now being credited to the Ministry of Works and Transport to deal with the expenditure on the Point Fortin highway. The total increase in the Ministry of Works and Transport Head is \$200 million. The total decrease in the Ministry of

Energy and Energy Affairs Head is \$200 million. So, there is a nil net effect.

With respect to the transfer of funds between sub-heads under the same Head of expenditure, with effect from August 01, 1988—so this is quite a while—Cabinet delegated its authority to approve transfers between sub-heads under the same Head of expenditure to the Minister of Finance, when it agreed among other things as follows: Request for transfer of funds between separate sub-heads under the same Head of expenditure, should no longer be submitted for the Cabinet, but can be decided by the Minister of Finance on the advice of the Budget Division. And the procedure is quite straightforward, the Minister would make a request to the Minister of Finance when a situation arises where funding is required for a particular project or a particular programme, and savings can be realized in another Head within that same Ministry's allocation, the Minister would make the request to the Minister of Finance, and the Minister would in most cases agree to the transfer.

Consequently, in fiscal 2015, the Minister of Finance and the Economy, the then Minister, approved the transfer of funds in the sum of \$1,396,805,793, for fiscal 2015 between sub-heads under the same Head of expenditure based on notes from the respective line Ministers requesting the transfers. It should be noted that these transfers were requested as I have indicated to reflect changed circumstances in Ministries and departments, and a consequential re-ordering of priorities. I want to stress, these transfers do not increase the total appropriation in any way. The statements showing the transfers approved by the Minister of Finance and the Economy, the previous Minister of Finance, and explanations for these transfers were circulated to all Senators.

I beg to move. [*Desk thumping*]

Question proposed.

Sen. Wade Mark: Thank you very much, Madam President. [*Desk thumping*] I rise to contribute to this measure, this Bill entitled an Act to vary the appropriation of the sum the issue of which was authorized by the Appropriation (Financial Year 2015) Act, 2014, and varied by the Finance (Variation of Appropriation) (Financial Year 2015) Act, 2015.

Madam President, this Bill with the accompanying document in the form of a report revealed to all and sundry that despite the ramblings and the negative insinuations concerning the management of this economy, as manifested in the appropriation accounts that are currently before us for 2015, as we seek to close the accounts, the evidence is showing that the measures employed by the People's Partnership administration were very appropriate, were very prudent and quite within the 2015 budget allocation. It demonstrates that the nation's financial resources were in a time of economic and financial crisis, at a time when energy prices were plunging and falling, at a time when a general election was about to take place on September 7 last year. The People's Partnership exercised extreme prudence in the management of the nation's financial resources. [*Desk thumping*]

I would like the hon. Minister to share with this honourable House, what the final expenditure was for 2015. We know that we had projected at that time a budgetary figure of \$60 billion. My information was that we spent less than \$55 billion or in that vicinity. It could be a little more, could be a little less. So, what it shows, if what I have been advised is correct, is that even in the face of a national election in 2015, we were able to spend less than the original budgeted figures of \$60 billion. So, if what I am being advised is true, and the Minister could verify it, that instead of spending \$60 billion, \$55 billion to \$56 billion was spent, and therefore we saved as a result \$4 billion, given all the situations, economic and

otherwise, that we faced.

We also realized, Madam President, that there were write-offs as demonstrated here, and the write-offs showed the compassion and the leniency of the administration towards public officers, and towards former sugar workers. There were overpayments and there were arrears, which were not statute-barred. So, the Government could have gone behind those persons in order to recover these moneys. But, instead, compassion and leniency were demonstrated towards those public officers [*Desk thumping*] and towards, I think, eight sugar workers; two had died and six were still alive, but they were unable to meet their financial obligations to the sugar labour welfare organization. So, it shows that the People's Partnership was very compassionate and very lenient, as I said, in this regard.

Madam President, again, we looked at what has happened in this Bill, a transfer from one Head of expenditure to another Head of expenditure. That is from the Ministry of Energy and Energy Affairs to the Ministry of Works and Transport, and that was all in keeping with working towards the completion of the Point Fortin highway, which, as we know, is going to contribute, when it is completed, to the socio-economic development of this society and this nation. Some \$200 million would have been transferred from one Head of expenditure to another Head of expenditure. And, Madam President, this \$200 million that was sent to the Ministry of Works and Transport to complete the Point Fortin highway, would have contributed very importantly in the final analysis to the improvement of the health, the reducing of stress, the provision of more family time as people are able to get from one point to another in a very quick time, providing greater levels of recreation and relaxation to and from work—as people commute rather, to and from work.

Madam President, this transfer of \$200 million to complete the highway would also contribute to increasing productivity in this society, which is something that is lacking, and we are seeking to improve. It will also contribute to the lowering of transport cost, less fuel cost, less depreciation as this highway seeks to open new economic spaces, increased jobs, revenues and taxes for our country. That highway would also contribute to an improvement in the quality of life of the people, particularly who live in that particular region of our country.

Madam President, we would also have noticed that there were some virements from one sub-head to another sub-head, which as you know, and the Minister has indicated, are matters that are dealt with by ministerial approval. So, these are matters that are more or less administrative matters. But, what is important to note with those particular virements from one sub-head to another, is that many of those allocations were designed to address personnel expenditure because we were concerned and we were focused on the maintenance of job security. We were concerned about income stability, and we were concerned about the socio-economic well-being of the people.

So, when we look at the OPM office, we saw an increase in allocation of personnel expenditure in terms of salaries and COLA of over \$9 million. In the Ministry of Finance we saw an increase in personnel expenditure of some \$85 million or thereabout; in national security, it increased by over \$30 million; in education, by some \$35 million, including \$24 million for contract employment; and in the case of the Ministry of Health, some \$50 million was allocated towards personnel expenditure.

2.00 p.m.

So this is some of the virement that took place between sub-heads as we

sought to close our books for fiscal 2015. We also saw, Madam President, where crime reduction and security management witnessed an increase in allocations for equipment, vehicles, building capacity of some \$35million. So they focus on national security, on crime, all these things were involved in the virement from one sub-head to another under the Ministry of National Security.

Even in the area of food production, there was an allocation to agricultural incentives, because there is an Agricultural Incentive Programme also relieving flood damage during that particular period, all in an effort to work towards increasing food production which is quite important, particularly, in this period of austerity and serious financial challenges which no government can ignore.

Madam President, you will see when it comes to the transfers from one sub-head to another sub-head, in the area of education, where there was more support for student services, educational development, crime reduction, better citizens, where we develop the much needed management information system for the Ministry to better manage the nations education system. Other education projects which is in the future aimed at higher quality of student, to reduce the juvenile crime and to bring about better citizenry. All these were done as it relates to the virement of moneys from one sub-head to another.

Now this is what we were doing to increase the focus on education on students, Madam President, to reduce juvenile delinquency and crime. When we contrast that to what is taking place at the present time it leaves us to wonder what is the future of education. What we have at this time is a Government that has stopped the laptop programme for SEA students. That is what we have. What we have at this time is an attempt by the Government to reduce or eliminate the schoolbooks for primary school students. That is what we have today. What we

have today, whilst we try to focus on promoting educational opportunities for our students, we have a reduction in scholarships by this Government. I saw somewhere it was reduced from 470 to 400.

We are also witnessing where the Government, maybe through spite and vindictiveness, have decided to turn away or turn a blind eye to the opening of the Children's Hospital in Couva. We do not know why they are not moving with speed to do that, but we saw that the Government is spending over \$90 million on the restoration of the Tarouba "blighted" stadium and leaving this Couva hospital undone.

So, Madam President, these are some of the things that we are seeing.

Hon. Imbert: Where? [*Laughter*]

Sen. W. Mark: No, we are witnessing what is taking place currently. Madam President, what is important is the accountability, and this is very, very serious. The accountability for all funds are clear and justified at the end of 2015. Perhaps the priorities may have differed, but the intent was designed to be in the best interest of the population of Trinidad and Tobago. The last, our administration has been criticized for budgetary deficits. Some will say we spend too much, but we must question these comments. But we are seeing where the pressures are mounting as we speak today.

What I can say, Madam President, is that the last administration had a strong people-focus. We created and we maintained employment levels. We provided for the children, the elderly and the vulnerable in our society. [*Desk thumping*] With a blink of an eye all that went with the engineer in charge of reengineering the economy. What a con job, Madam President. Talk about square pegs in round holes. No pun intended, but the job of the Minister of Finance is a very tall order

and we need someone who is up to the task. The PNM has short-changed the population with the current Minister of Finance. We keep hearing the buzz word of lowered taxes. Lowered taxes do not benefit the low income earners. Those on the poverty line earning less than \$5,000 a month have no tax benefit, yet we pay more for basic food, transport, books and computers.

So, Madam President, as far as we are concerned the measures that we have here today is—the Bill rather that we have before us today—

Hon. Imbert: Close the accounts.

Sen. W. Mark:—demonstrate as we seek to close the account, you are right. You are right, we are seeking to bring closure to these accounts, but we have to deal with the reality of this Government misleading the country, telling the country that we have engaged in all kinds of waste and mismanagement and when the reality is showing otherwise.

I want to remind our colleagues here, that in spite of the challenges that we were faced with, the evidence is showing that the last administration was able to do a number of positive things to help transform this economy and this society. I want to remind the hon. Minister of Finance that in spite of the challenges that we had, we completed the Children's and Adult Hospital in Couva. [*Desk thumping*] We completed a substantial part of the South Campus of the University of the West Indies. [*Desk thumping*] We completed the state-of-the-art sporting complex in Couva. [*Desk thumping*]

Madam President, there is cycling, there is swimming and I believe that if the Government had vision they could have attracted visitors to our country who are preparing for the Olympics so these facilities could have been used and we could have attracted foreign exchange, Madam President. I want to remind the

Government that in spite of what they have said about the People's Partnership, we completed 83 schools. In fact, 83 schools were under construction when we demitted office. And all of these projects will give us an appreciation of the thrust and the focus of the People's Partnership Government in the last period; the whole issue of focus on physical infrastructure development to focus on economic expansion, social infrastructure development in specific cases such as, health and higher education, in sport, all of these things were designed to improve the quality of life and the living standards of our people.

But you know, Madam President, we have a way of misleading the population, that is the last administration, several ways they did it. But I want to remind them, only today the Privy Council handed down a judgment in which they upheld the decision of this Parliament to amend the law, and they were all over the place marching and attacking and trying to engage in hysteria as if it was some grand conspiracy, I think they called it "Section 34" at that time and mobilized the whole country against the PP. Today the Privy Council has upheld [*Desk thumping*] the law that was passed. So nobody is free. No financiers are free as they were projecting.

So this regime has a way of twisting and bending and manipulating facts in order to sway the population in all kinds of directions. But I want to remind them that now that they are in charge as they claim, they have to deal with the reality.

Madam President: Sen. Mark, I have been allowing you quite a lot of latitude but could you come back to the topic at hand, please.

Sen. W. Mark: So, Madam President, the reality is that when we look at the various changes to the sub-heads, wherever you turn you are seeing where the administration was very prudent in its management of this economy. Madam

President, look at the Elections and Boundaries Commission on page 64. This had to do with voter registration, so the Government at that time, based on a request made by the EBC, had to allocate moneys and that was done within the EBC's allocation. So within the sub-heads they were able to transfer moneys in order to effect outstanding payments due to an organization which provided services for year two of the support agreement for the voter registration and election management system of \$1.6 million. This is what happened during that period.

We also saw where outstanding bills, you know, had to be met, and again in terms of the Office of the Prime Minister, you had, Madam President, a lot of commissions of enquiry being conducted and you would have noticed under Head 13, various transfers were done via sub-heads, where you had, in terms of the Clico and Las Alturas Commissions of Enquiry, some \$5million was being transferred to ensure that the members of the commission would have been provided with the resources essential to conduct their work.

2.15 p.m.

You saw where we had to pay, Madam President, another Commission of Enquiry into the collapse of CL Financial and the HCU. [*Interruption*] This is here. You have not read it, on page 66. You have not read it, Madam President—of some \$2.7 million. And you would not believe the debt of our country rose astronomically as a result of this expenditure. I am talking about Clico's investigation on page 66.

Hon. Imbert: Page 66?

Sen. W. Mark: Yes, on this. Look it here. [*Interruption*] Yes, there is a Clico matter here in terms of the Commission of Enquiry—\$19 billion to \$20 billion was spent on the bailout of the Clico disaster, and that caused the debt of our country

and the debt profile of the country and the public sector debt to rise. So this Commission of Enquiry which caused the country some \$2.7 million, again, is a demonstration of our commitment to ensure that we were able to meet our obligations under this particular arrangement with our Commission of Enquiry members who were involved in that exercise.

Madam President, if you look at the Ministry of Finance under Head 18, you will see where a lot of moneys were transferred. Some \$217 million was transferred from one sub-head to another. And, Madam President, apart from personnel expenditure, travelling and subsistence, you would realize that on page 68, some \$13 million went towards the operation of the container examination stations, both at Point Lisas and Port of Spain, as well as Columbus Communications Flow for servicing the Customs Border Control System, commonly referred to as the ASYCUDA system, which cost us some \$13million. All that was in an effort to ensure that apart from people not trying to short-change the State by under-invoicing and over-invoicing, it also played a very important role in accountability and efficiency and the overall effectiveness of the operations of that particular body which is the Customs and Excise Department of the Ministry of Finance that is responsible.

Madam President, we observe also under Head 22, where we had to transfer some \$95 million, not only to deal with salaries and cost of living allowance for personnel, but we also had to allocate some \$17 million for the Community Comfort Patrol. And, Madam President, I am happy to know that the Community Comfort Patrol is still in operation in Trinidad and Tobago. [*Desk thumping*] At one time we know the Opposition was highly critical—now Government. They were highly critical of the Community Comfort Patrol [*Desk thumping*] and we are

happy that they are still there, and as you would have seen, we kept them and we had allocated \$17 million to that particular body.

Madam President, what is also important to note is that the Government of Trinidad and Tobago spent, in an effort to beef up our border controls—because, as you know, we have been criticized by the then Opposition, now Government—
[*Interruption*]

Sen. Khan: Madam President, on a point of order, please—46(1). This is an Appropriation Bill and all we are doing is \$200 million moving from the Ministry of Energy and Energy Industries across to the Ministry of Works and Transport and this is what we are appropriating in this Senate today. It has nothing to do with that long list of internal transfers that were approved by the Minister of Finance. [*Desk thumping*] So I really seek your guidance on that.

Madam President: Sen. Mark, while mention was made of this document, you are really confining all of your contribution to this and not to the Bill. So can you talk about the Bill which deals with the \$200 million from the Ministry of Works and Transport and the Ministry of Energy and Energy Industries? Could you deal with that, please, and focus on that in your contribution?

Sen. W. Mark: Well, I believe, Madam President, that if this report is of no value, it should not have been brought here. Madam President, if this report is of no value, why has this report been tabled in the House? It is for noting? Madam President, it is for noting?

Hon. Imbert: We had no debate in the other place.

Sen. W. Mark: This is not the other place! This is the Senate! This is an independent House! We do not depend on what you do in the other place.

Madam President: Sen. Mark, I am the one, I am pointing out to you that what is

before this House is this Bill. Mention has been made of the internal transfers and you can talk about it, but not base your whole contribution on it, and that is what you are doing. So could we—Sen. Mark, could you get back to the business of the Senate, please, which is this Bill?

Sen. W. Mark: Madam President, I am flabbergasted. I am flabbergasted. I never knew that when I got up to speak I would not have been able to refer to these matters.

Madam President: And, Sen. Mark, I do not want to engage in a toing and froing between the Chair and you. I am not saying you cannot refer to it, but what I am saying is that to go through line by line and be dealing with each item—and that is your contribution—that is not relevant. Please deal with the Bill in more substantial terms.

Sen. W. Mark: I am guided by your ruling, Madam President.

Madam President: Sen. Mark, you have five more minutes.

Sen. W. Mark: Yes. And I think I am going to be guided by your ruling on this matter. [*Interruption*] I did not ask for the support or the assistance of Sen. The Hon. Paula Gopee-Scoon, please. [*Laughter*]

Madam President, in closing—I know the President is there to guide me if I am going off. Madam President, in closing, I want to indicate to you and to the Senate that what we have before us today is evidence of a government that has been able to conduct the affairs of the country in a very prudent, frugal and a very, very organized manner and the accounts that we are about to close today manifested in one, in the transfer of \$200 million from one Head to another Head, along with the transfers between sub-heads—would demonstrate, even though some \$1.3 billion was involved, what is critical, no additional revenue was

commanded. No additional resources were requested. No supplementation was requested.

The Government of the day was able to organize itself within budget. And, in fact, I ask the Minister of Finance to guide us on this matter. How much was the final expenditure for 2015? How much were the savings? I ask him to share with us when he is winding up, whether it was \$5 billion, whether it was \$4 billion, whether it was \$3 billion. But I do know there were savings.

So, Madam President, the Government has brought this measure—this Bill rather—to bring a close to the accounts. We have no difficulty with these particular transfers because they have been approved, and we would like to ask the Minister of Finance, in winding up, to share with us this very particular piece of information as it relates to what were the final figures in terms of overall expenditure for fiscal 2015.

I thank you very much, Madam President. [*Desk thumping*]

Madam President: Sen. Mahabir. [*Desk thumping*]

Sen. Dr. Dhanayshar Mahabir: Thank you very much, Madam President. This particular Bill before us can be addressed in a minute or we can take the full 40 minutes. I will not say which option I shall choose. [*Laughter*] The minute, I suspect, has already gone.

Madam President, this Bill refers to the past and we are closing the books because of the administrative necessity to so do and the procedure and the protocols to be followed. But the past cannot be changed. We live in the here and now. The past cannot be changed and the future is unknown. And the Senate is a Chamber of reflection—sober reflection—on issues before us outside the cut and thrust of political debates. No, we do have that here. But the matter before us is

really one associated with the variation of appropriation.

In September, the Government seeks to pass an Appropriation Bill so that it could run the country as it sees the country in September. But during the course of the year, circumstances change, and because circumstances change and because the environment within which the country operates requires some changes, Ministries across the board frequently seek to shift from one sub-head to the next, and the Minister of Finance is, of course, given the flexibility to approve these shifts to meet changed circumstances.

But, Madam President, we have to ask ourselves today, since we are really now at the beginning of 2016: what are the priorities now? In the Bill that is before us for debate, the Government then, decided that a priority was to shift the savings from the Ministry of Energy and Energy Affairs to the completion of a highway project. That is an important priority. We need to build our stock of infrastructure in the country. But today, Madam President, in hindsight, we need to look at our priorities as we move forward in 2016 and ask ourselves whether the circumstances in January of 2016 are radically different from the circumstances of January 2015.

In our debate on Thursday, Sen. Small indicated that he celebrated when the price of oil rose from \$29 to \$30. Whenever we in this country have cause to celebrate a \$1 increase in the price of oil, whenever the Minister of Finance can tell us that he planned to collect some \$43 billion but given the current revenue projections we may be able to earn some 38, we know that our circumstances have changed in a radical way.

There will therefore be variations in the current fiscal year, and I think we need to reflect on the variation itself of appropriation because we frequently focus

on the appropriation in September and we really ever reflect upon why we are varying and what do we hope to achieve.

2.30 p.m.

Madam President, let me advance the notion that we need to take a second look at this principle of the variation and to examine philosophically and clearly what our priorities are in the current situation knowing that we have varied in the past. We are simply approving what we have varied, but what might our priorities be now. When we look at where Trinidad and Tobago is positioned now with respect to leading indicators, indicators of competitiveness, indicators of labour productivity, the indicators of the quality of life, we find that we are obtaining a C grade.

We are not doing as well as we are capable of doing. We are not a failed state. Trinidad and Tobago is still a very solid organization, a country, but we are moving in the wrong direction when we should be moving in the other direction. The priorities, therefore, that we have before us are priorities that will allow us to be, Madam President, a bit more efficient in the current year. What are some of the priorities that we need to focus on to address the economic challenges, and how might that influence the variation of appropriation in the current year?

Let me use this opportunity, Madam President, to indicate what we need to do in the current year. Having varied from the energy savings into the highway, what can we do in the current year to ensure that there is a greater level of efficiency in this country and to ensure that we are in a better position to handle the challenges of this year? As I said, the past is gone. How do we reflect on the past, make some changes which are more productive for the current environment?

When we look at what has happened in our situation today is that we are

seeing in our state apparatus there are institutions, Ministries under the direct control of Cabinet Ministers; and when we look at other institutions of the State we see there are institutions that exist outside the ambit of the Cabinet. These institutions are important and critical institutions. The institutions are our service commissions, the institutions are commissions such as the Securities and Exchange Commission. Why am I mentioning it at this time as we are varying?

Madam President, we need to be looking at those institutions if we are to handle the economic challenges we are going to confront in 2016. The institutions are simply not working. They are not working well. Take, for example, the Securities and Exchange Commission. If we are to ensure that in this country there is confidence in investment, that we want to attract foreign investment, that we want to ensure that we can enforce laws with respect to white-collar crime, we need our Securities and Exchange Commission to be a well-functioning organization. Why are we not able, in that Commission, to bring to prosecution a case against someone involved in some kind of activity with respect to securities fraud? This is an important matter for our economic welfare. Where are we with respect to the FCB IPO? Is that going to disappear or is it, as Sen. Small always suggests, there is no white-collar crime in Trinidad and Tobago?

Madam President, on Thursday we had a telling debate. We saw that a service commission was not able to recruit an officer, a Commissioner of Police, that the Constitution says it is its responsibility. There is a problem with how we have developed our institutions—[*Interruption*]

Sen. Khan: Madam President, on a point of order again. I do not want to do Sen. Dhanayshar this, but there will be several opportunities when he can “explashiate” all his knowledge of national economic principles and how the state is run

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physically. But let us stick to the—[*Interruption*]

Hon. Senator: On a point of order of—[*Interruption*]

Sen. Khan: 46(1) and we are doing an appropriation. We are not doing the IPO of First Citizens.

Madam President: Sen. Mahabir, again, there is a Bill which is before the Senate, and while I understand what you are trying to do, we need to focus more, you need to focus more on the Bill at hand.

Sen. Dr. D. Mahabir: Thank you, Madam President. There will be much to say about the institutions in this country that we need to build if we are to address the challenges of having a revenue-base of \$37 billion and an expenditure profile of \$62 billion. We will need, as we discuss the financing of Trinidad and Tobago, to look at where we have gone wrong in the past and what we will have to do in the future.

We do need to look at the principle of variation. We have been varying, Madam President. Let me focus on the Bill. We have been varying and varying and varying without asking ourselves what influences the priority behind the variation, what influenced the priority with the variation from the \$200 million from the Ministry of Education to the Ministry of Works and Infrastructure? Why was that of such critical importance? My point is, we need to be looking at those variations in the current environment. We do not have a dollar to waste in this current scenario if we wasted in the past.

The past is gone. We do not have the flexibility to do that now. What are we doing—and I am not “explashing” as was told. The problem, Madam President, is that we have missed asking some critical questions and it is for this reason we are in the predicament that we are in today. As we seek to vary in 2016,

it is, from my perspective, critical to justify the variation, justify what we hope to achieve and to ask ourselves if we have been varying time and time again over the last two decades and we have not been seeing the priorities outlined, it is as if we are varying willy-nilly. What are we doing wrong to get a right answer? Let me advance the notion.

As we move forward let us look at the building of institutions in this the country. What is an institution? The institutions are the institutions which are going to help us address the concerns in the future. Let us say the past is the past. This Bill may be a formality, but, Madam President, we need to legislate for the future and we need to ensure that as we come back in the mid-year review, as there will be a mid-year review of economic performance, we look at the concept of variation: what is the priority of the Government and why; and what is their position on the building of the following institutions, local government bodies, ensuring that the Judiciary is preserved in Trinidad and Tobago, ensuring that the Securities and Exchange Commission is efficient, ensuring that all the service commissions outside the ambit of the State are able to discharge their functions?

Let us hope, Madam President, that this is the last year that we have a Police Service Commissioner employed by a private firm and that the service commissions and all other agencies of the State outside Government apparatus [*Desk thumping*] will be able to discharge their functions, and let us vary our limited resources to do that which is very important.

Thank you, Madam President. [*Desk thumping*]

Madam President: Hon. Minister of Finance.

The Minister of Finance (Hon. Colm Imbert): As I indicated in my introduction, I will be non-contentious; I was. Let me just deal with the relevant

questions that Sen. Mark posed. Firstly, let me indicate, Madam President, the write-offs that Sen. Mark spoke about are not before the Senate in any form or fashion at all, and therefore, the write-offs that were done in the other place are wholly irrelevant if we use Sen. Mark's data that what happens in the other place is not relevant to this place. So that the write-offs were dealt with in the other place. They are not before this honourable Senate. And just for the record, the write-offs of the debts owed by the sugar workers were done by the present Government, approved by Cabinet in January 2016. [*Desk thumping*] So if there was any humanitarian action, it was the action of the present People's National Movement Government who wrote off the debts. [*Desk thumping*]

With respect to the outturn for 2015, which is relevant to the Bill before the Senate, the on-budget expenditure was \$59 billion, not \$55 billion. I do not know where the hon. Senator got that figure from. But in addition to the on-budget expenditure for 2015, we had considerable off-budget expenditure which is going to come into the accounts in due course. Bills not paid to contractors for work done in 2015, four Ministries so far have reported bills of \$2.1 billion which we must add to the 59, so that takes you to \$61 billion. In addition, because the Government had maxed out the overdraft at the Central Bank and had no cash available to spend or to release to Ministries, as a mechanism to get around the unavailability of cash, the previous administration instructed state enterprises to borrow to finance projects just before the last general election.

The government guaranteed borrowing to state enterprises amounted to approximately \$4.7 billion, which would take the expenditure up to \$66 billion for 2015, Madam President, way beyond the original deficit of \$7 billion. Just to give some details: the HDC borrowed \$750 million on instructions from the

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Government to finance projects; UDeCOTT borrowed \$1.2 billion on instructions of the Government because the Government had no cash because it had maxed out the overdraft—1.2 billion; NIDCO borrowed \$1.5 billion; Education Facilities Company Limited borrowed \$285 million; EMBD borrowed \$400 million; PTSC borrowed \$57 million and so on, and so on. So those are the answers to Sen. Mark's question.

With respect to the outturn for 2015, the Government spent about \$66 billion—[*Interruption*]*—*and we are still counting because as I indicated the \$2.1 billion is reported from only four Ministries of which they had 30. Four Ministries have reported arrears, bills not paid to contractors of \$2.1 billion for work done in 2015. So who knows where that figure will reach when we do the final count.

But apart from all of that, Madam President, this Bill was simply about last year's accounts. It was about the past, it was not about the present, it was not about the future. It is not about anything except the closing of the fiscal accounts for the financial year ended September 30, 2015. Nothing more, nothing less. And as I indicated, we have moved \$200 million—well, they moved \$200 million from the Ministry of Energy and Energy Industries to the Ministry of Works and Infrastructure to deal with the part financing of the highway project.

I wish to thank all Senators for their contribution. I understand the passion, but it was entirely misplaced today in my opinion because this was a debate about the past. It was not a debate about the present or about the future. There will be lots of times to speak about the present and the future and what we should do going forward, and what we should do about the economy, and what we should do about the Securities and Exchange Commission, and about the IPO, and about local government. [*Interruption*]

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Madam President: Dr. Mahabir.

Hon. C. Imbert: I am not going to chastise him for talking to me across the floor. I am not going to chastise him for that, Madam President. All I am saying is that I respect the passion, but the passion was wholly misplaced today.

I beg to move. [*Desk thumping*]

Question put and agreed to.

Bill accordingly read a second time.

Hon. C. Imbert: Madam President, in accordance with Standing Order 57, I beg to move that the Bill not be committed to a committee of the whole Senate.

Question put and agreed to.

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

Bill accordingly read the third time and passed.

ADJOURNMENT

Madam President: Leader of Government Business.

The Minister of Rural Development and Local Government (Sen. The Hon. Franklin Khan): Madam President, I beg to move that this Senate do now adjourn to tomorrow, Tuesday, January 26, 2016 at 1.30 p.m. At this point in time, we will debate the private Motion that we debated at last Private Members' Day, continuing that debate on the Sustainable Development Goals.

Question put and agreed to.

Senate adjourned accordingly.

Adjourned at 2.48 p.m.