

SENATE

Wednesday, October 23, 2019

The Senate met at 10.00 a.m.

PRAYERS

[MR. VICE-PRESIDENT *in the Chair*]



SEN. THE HON. CHRISTINE KANGALOO
(ACTING PRESIDENT)

Mr. Vice-President: Hon. Senators, I wish to advise that the President of the Senate, Sen. The Hon. Christine Kangaloo, is currently acting as President of the Republic of Trinidad and Tobago.

LEAVE OF ABSENCE

Mr. Vice-President: Hon. Senators, I have granted leave of absence to Sen. Hazel Thompson-Ahye who is out of the country.

SENATOR'S APPOINTMENT

Mr. Vice-President: Hon. Senators, I have received the following correspondence from Her Excellency the President Paula-Mae Weekes, ORTT:

“THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

By Her Excellency PAULA-MAE WEEKES,
O.R.T.T., President of the Republic of
Trinidad and Tobago and Commander-in-
Chief of the Armed Forces.

/s/ Paula-Mae Weekes

President.

TO: MR. NDALE YOUNG

WHEREAS Senator Christine Kangaloo is incapable of performing her duties as the President of the Senate by reason of her acting as the President of the Republic of Trinidad and Tobago and the Vice President of the Senate

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is required to perform the duties of the President of the Senate. As a result, a vacancy has arisen in the Senate:

NOW, THEREFORE, I, PAULA-MAE WEEKES, President as aforesaid, acting in accordance with the advice of the Prime Minister, in exercise of the power vested in me by section 44 of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you, NDALE YOUNG, to be temporarily a member of the Senate, with effect from 23rd October, 2019 and continuing during the period that Senator the Honourable Christine Kangaloo will be acting as President of Trinidad and Tobago.

Given under my Hand and the Seal of the
President of the Republic of Trinidad and
Tobago at the Office of the President, St.
Ann's, this 22nd day of October, 2019."

“THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

By Her Excellency PAULA-MAE WEEKES,
O.R.T.T., President of the Republic of
Trinidad and Tobago and Commander-in-
Chief of the Armed Forces.

/s/ Paula-Mae Weekes

President.

TO: MR. JOSH O.W. DRAYTON

WHEREAS Senator Hazel Thompson-Ahye is incapable of performing her duties as a Senator by reason of her absence from Trinidad and Tobago:

NOW, THEREFORE, I, PAULA-MAE WEEKES, President as aforesaid, in exercise of the power vested in me by section 44(1)(a) and

section 44(4)(c) of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you, JOSH O.W. DRAYTON to be a member of the Senate temporarily, with effect from 23rd October, 2019 and continuing during the absence from Trinidad and Tobago of Senator Hazel Thompson-Ahye.

Given under my Hand and the Seal of the
President of the Republic of Trinidad and
Tobago at the Office of the President, St.
Ann's, this 22nd day of October, 2019."

AFFIRMATION OF ALLEGIANCE

Senator Ndale Young took and subscribed the Affirmation of Allegiance as required by law.

OATH OF ALLEGIANCE

Senator Josh Drayton took and subscribed the Oath of Allegiance as required by law.

APPROPRIATION (FINANCIAL YEAR 2020) BILL, 2019

Bill to provide for the service of Trinidad and Tobago for the financial year ending on the 30th day of September, 2020, brought from the House of Representatives [*The Minister in the Ministry of Finance*]; read the first time.

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

Question put and agreed to.

PAPERS LAID

1. Civil Aviation [(No. 1) General Application and Personnel Licensing] (Amdt.) Regulations, 2019. [*The Minister of Works and Transport (Sen. The Hon. Rohan Sinanan)*]

2. Civil Aviation [(No. 2) Operations] (Amdt.) Regulations, 2019. [*Sen. The Hon. R. Sinanan*]
3. Civil Aviation [(No. 3) Air Operator Certification and Administration] (Amdt.) Regulations, 2019. [*Sen. The Hon. R. Sinanan*]
4. Civil Aviation [(No. 5) Airworthiness] (Amdt.) Regulations, 2019. [*Sen. The Hon. R. Sinanan*]
5. Civil Aviation [(No. 6) Approved Maintenance Organisation] (Amdt.) Regulations, 2019. [*Sen. The Hon. R. Sinanan*]
6. Civil Aviation [(No. 7) Instruments and Equipment] (Amendment) Regulations, 2019. [*Sen. The Hon. R. Sinanan*]
7. Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the Princes Town Regional Corporation Chairman's Fund for the year ended September 30, 2018. [*The Minister in the Ministry of Finance (Sen. The Hon. Allyson West)*]
8. Draft Estimates of Expenditure for the financial year 2020. [*Sen. The Hon. A. West*]
9. Draft Estimates – Details of Estimates of Recurrent Expenditure for the financial year 2020. [*Sen. The Hon. A. West*]
10. Draft Estimates of Revenue and Expenditure of the Statutory Boards and Similar Bodies and of the Tobago House of Assembly for the financial year 2020. [*Sen. The Hon. A. West*]
11. Draft Estimates of the Development Programme for the financial year 2020. [*Sen. The Hon. A. West*]
12. Draft Estimates of the Revenue for the financial year 2020. [*Sen. The Hon. A. West*]
13. Social Sector Investment Programme 2020. [*Sen. The Hon. A. West*]

14. Public Sector Investment Programme - Trinidad 2020. [*Sen. The Hon. A. West*]
15. Public Sector Investment Programme - Tobago 2020. [*Sen. The Hon. A. West*]
16. State Enterprises Investment Programme 2020. [*Sen. The Hon. A. West*]
17. Review of the Economy 2019. [*Sen. The Hon. A. West*]
18. Vision 2030 – Achievement Report – 2018 – 2019. [*Sen. The Hon. A. West*]
19. Administration of Justice (Indictable Proceedings) (Amendment to Schedule 6) Order, 2019. [*Sen. The Hon. R. Sinanan*]
20. Family Proceedings (Amendment) Rules, 2019. [*Sen. The Hon. R. Sinanan*]

BAIL (AMDT.) (NO. 2) BILL, 2019

Bill to amend the Bail Act, Chap. 4:60 [*The Attorney General*]; read the first time.

APPROPRIATION (FINANCIAL YEAR 2020) BILL, 2019

The Minister of Public Administration and the Minister in the Ministry of Finance (Sen. The Hon. Allyson West): Mr. Vice-President, I beg to move:

That a Bill to provide for the service of Trinidad and Tobago for the financial year ending on the 30th day of September 2020, be now read a second time.

Mr. Vice-President, in 2015 under the esteemed and astute leadership of our Prime Minister, the hon. Dr. Keith Rowley, the People's National Movement administration assumed office. The opening lines from WB Yeats famous poem, *The Second Coming* puts it best in terms of what we met:

“Turning and turning in the widening gyre
The falcon cannot hear the falconer;
Things fall apart; the centre cannot hold;

Mere anarchy is loosed upon the world,”

Immediately, we set out to repair the fragmented economy we inherited from five years of mismanagement by the previous administration, and we began rebuilding systems of credibility and trust, in our quest to deliver proper governance to the citizens of Trinidad and Tobago.

When this PNM administration took office in 2015, we met an economy in serious distress. Alarming high levels of expenditure that peaked historically in fiscal 2014 at \$63 billion, projects that bore relatively reduced economic benefits and a cash position that impacted the country's operations, were just some of the issues that we had to contend with.

We set out to bring stability to the economy by putting in place a sequenced programme of internal adjustment measures designed to alter the deteriorated revenue position we had inherited. We had to self-adjust, otherwise the burgeoning asymmetry between revenue and expenditure could have forced us to approach multilateral agencies, such as the IMF, a scenario that some of our regional and indeed global partners have not escaped.

My presentation today is focused as follows: one, on the economy we inherited; two, the steps we undertook to reverse the economic decline; three, the outturn for fiscal 2019 and the macroeconomic outlook; four, the major institutional and infrastructural projects designed to support our revenue potential and engineer economic growth; five, fiscal measures that would set the stage for further growth and development; and six, the budget finances.

Mr. Vice-President, earlier I had mentioned the distortion in revenues and expenditure, but just how did this asymmetry begin?

Our fiscal revenues to a large extent have conventionally been based on the global commodity energy prices. In 2014 expenditure peaked historically at \$63

billion, and oil prices were hovering at US \$93 per barrel. We also know historically that commodity prices are volatile and that the possibility existed in 2014 that prices could have fallen, but instead of managing expenditure in a prudent manner, the then UNC administration put this country on an unsustainable path. Between 2010 and 2014, oil revenue averaged around 29 per cent of total revenue. Following the collapse of oil prices in 2014 this percentage declined to 18.4 per cent in 2015, and by 2017 this further declined to an astonishing 1.2 per cent of total revenue. Similarly, in 2014 total petroleum taxes peaked at \$16.9 billion and fell to \$1.1 billion in 2017.

The steps that we took to reverse the economic decline: In fiscal 2016, when we assumed office we managed to bring down expenditure to a sustainable level of around \$53 billion, or an almost 16 per cent reduction of what was recognized in 2014. The efficiency gain continues through an expenditure of 50.5 billion in 2019 or a 20 per cent reduction. Indeed, this has been no easy feat, and bears testimony to the efforts of the Rowley administration. These adjustments in expenditure were necessary to give this country the breathing room to maintain essential operations. Even with these constraints, we sought to buffer the impact of the depressed economic circumstances on the general population, especially the most vulnerable among us and, indeed, as I would have identified in my mid-year presentation, some of the fiscal measures which were instituted to protect this group.

Mr. Vice-President, as a whole we have been able to bring expenditure to a realistic \$48.8 billion in 2018, and \$50.5 billion in 2019, a substantial reduction from the 2014 peak of \$63 billion. In the 2019 fiscal year we have been able to estimate revenue at 46.5 billion with a fiscal deficit of 3.9 billion or 2.5 per cent of GDP. We remain committed to our resolve to reverse the impairments to our fiscal accounts with both targeted revenue-raising measures and efficient expenditure, so

as not to adversely impact our nation's citizens.

The Global macro economy: Mr. Vice-President, the global economy continues to impact us, in particular commodity energy prices. Risk and uncertainty worldwide through US/China trade tensions, Brexit uncertainty and rising geopolitical tensions have been keeping energy prices in a volatile state. The World Bank in its June 2019 Global Economic Prospects estimated softer global growth in 2018, that is 3 per cent, from an original projection of 3.8 per cent. The downward revision has continued in 2019, with an estimate of 2.6 per cent growth. The World Bank is estimating that global growth will pick up slowly by 2021, to 2.8 per cent. In short, the global growth projections will continue to impact domestic economic conditions, and this PNM administration will continue to monitor, evaluate and adapt to these scenarios in our quest to safeguard the interests of our citizens.

The domestic economy: The Central Statistical Office is now estimating flat growth for 2018, with the economy stabilizing in the second half of the year. Notwithstanding this, growth estimates for the first quarter of 2019 show a rebound in the economy of 1.7 per cent. Mr. Vice-President, what this points to is an economy in recovery from negative growth rates of minus 6.3 per cent in 2016, and minus 2.3 per cent in 2017, to positive growth in 2019. This is indeed a significant milestone for the country's recovery efforts. [*Desk thumping*] It has been the result of a deliberate programme of adjustment to link expenditure to this country's revenue potential. Our sequenced programme of curtailing unproductive spending and pushing the envelope on improvements in the operation and efficiency of the public sector, is the main facet of this adjustment. We have now determined that through a managed adjustment programme, expenditure and revenue estimates should be in the range of 50 to \$53 billion.

Mr. Vice-President, I now turn to the outturn for 2019. We began the year with an oil price assumption of US \$65 per barrel and a gas price of US 2.75 MMBtu, with budgeted revenue of \$47.72 billion and 51.77 billion in expenditure, supported by deficit financing of 4.05 billion or 2.4 per cent of GDP. In the May mid-year review 2019, these figures were adjusted to 52.07 billion in expenditure and 47.5 billion in revenue, with a resultant overall fiscal deficit of 4.57 billion or 2.85 per cent of GDP. The Revised Estimates for 2019 indicate 50.5 billion of expenditure and 46.56 billion for revenue, with the fiscal deficit being 3.94 billion or 2.38 per cent of GDP, compared to the deficit of 4.57 billion or 2.85 per cent of GDP that was projected at the mid-year.

These improvements to the fiscal account are in no way a finished product. We continue to place emphasis on the removal of the dire straits the UNC administration left us in.

We have provided the environment for solid growth to drive investment further. This environment includes exchange rate stability, low and stable interest rates, stabilization of public sector debt levels within internationally recognized benchmarks, increase in the value of the Heritage and Stabilisation Fund, with the net asset value of the fund now at \$6.25 billion or \$600 million more than it was in September 2015—the total of our foreign reserves and assets in the Heritage and Stabilisation Fund remain very substantial at \$13.25 billion at the end of September 2019—maintenance of positive credit ratings by the international rating agencies, ensuring that the economy remains attractive to investors, low and stable inflation rates.

The medium-term outlook: Mr. Vice-President, using the latest World Bank estimate we are projecting GDP for 2019 to be .9 per cent. Moreover in the medium-term growth estimates are forecasted at April 2020/2021 and 2022 at 1.9

per cent, 4.1 per cent and 3.6 per cent respectively. These projections are tied to an improving global economic environment and an expansion in the production of oil and gas.

Energy revenues are projected to increase incrementally during the forecast period from \$16.23 billion in 2020 to \$19.53 billion in 2022, with the increase being driven by modest increases in oil and gas prices and a greater degree of clarity and certainty in energy agreements with the upstreamers and downstreamers, with the associated production uptakes. We are also predicting improvements in non-energy sector.

Major institutional and infrastructural projects: Mr. Vice-President, permit me to share with the Senate the status of our work with respect to our major projects.

The Trinidad and Tobago Revenue Authority: The overall tax gap has been conservatively estimated to be in the vicinity of approximately \$5 billion per year or approximately 10 per cent of public revenue. The policy framework informing the Trinidad and Tobago Revenue Authority Bill, which will soon be re-laid in Parliament, is consistent with the revenue authority model which is geared towards improving taxpayer compliance and minimizing the tax gap.

Mr. Vice-President, the enabling revenue authority legislation has already been subject to a report by a joint select committee, and this administration expects, with the required majority Parliament support, the Trinidad and Tobago Revenue Authority will become a reality and fully operational in fiscal 2020.

Gambling, gaming and betting: Having completed the examination of the Gambling (Gaming and Betting) Bill in a joint select committee of Parliament, all that is left to be done is a review by our international consultants of the Regulations, and final examination of same by the Joint Select Committee to allow

passage and implementation of the new legislation. This review is almost complete, and we expect, with bipartisan parliamentary support, that the proposed Gambling Control Commission could be established within the next three to six months, thereby bringing to an end a largely unregulated gambling sector.

Property tax: We have been building the infrastructure to inform the implementation of the property tax 2009 as amended. We continue to build capacity in the Valuation Division of the Ministry of Finance, and trained assessors are now in the field generating a valuation roll. Mr. Vice-President, we at the Ministry of Finance will continue to work assiduously to accelerate this process with recently recruited additional field assessors to achieve as soon as we can the 50 per cent target of assessed properties for the commencement of residential property taxation.

Procurement: Mr. Vice-President, the Office of the Procurement Regulator is now fully staffed with the establishment of a comprehensive database on public procurement, including information on tenders received and the award and value of contracts. Procuring units across the state sector will soon be provided with guidance handbooks. Discussions and consultations with the Office of the Procurement Regulator have continued through 2019, and the Procurement Regulations are soon to be laid in Parliament.

CL Financial and CLICO: Mr. Vice-President, as a result of decisive intervention by this Government, CLICO has now settled approximately \$15 billion of its debt to taxpayers. This includes the funds which will be received from the sale of the traditional portfolio. This excludes those proceeds. We are now in the process of analysing the remaining debt to be repaid by CLICO and CL Financial.

The National Investment Fund: The National Investment Fund is a

significant achievement of this PNM Government. Giving back to taxpayers, as we promised, significant returns on public funds used in the bailout of CLICO. We will continue to use this vehicle as a mechanism for monetizing major state assets, including those assets transferred to the Government for repayment of the cost to the CL Financial/CLICO bailout.

We are addressing the issue of the outstanding VAT returns that is necessary to supplement businesses cash flows, and this is further explained in the fiscal measures section of my presentation.

Development projects: Mr. Vice-President, I would now like to share with this honourable Senate and the national community some of our notable projects. These projects, in keeping with our development philosophy, are designed as investment in our future to promote sustained economic and social development. The projects will develop infrastructure that will support an improved quality of life for the national community and increased productivity. In addition, all of these projects will create employment, with the resulting multiplier effect during construction, and in many cases will generate significant employment in the medium and long term.

The San Fernando/Point Fortin Highway: The 35 kilometre Solomon Hochoy Highway to Point Fortin project is scheduled to be completed at the end of 2020. This long-awaited highway on which \$5.1 billion had been originally spent by the previous Government on land acquisition, utility relocation, construction and supervision, will now be completed at a further cost of \$2.3 billion. When completed, the highway, with appropriate interchanges, which refers to southwestern areas of Trinidad, providing connectivity to several major communities from San Fernando to Point Fortin, including Dumfries and Mon Desir, a segment for Mon Desir to Point Fortin via La Brea, and a connection from

Mon Desir back to Fyzabad.

The Valencia/Toco roadway. The 40 kilometre Valencia to Tobago roadway upgrade is now under construction. When completed it will vastly improve access to the entire eastern seaboard of Trinidad, bringing business opportunities, including residential and tourism investments and prosperity, to the communities of Valencia, Sangre Grande, Matura, Salybia, Rampanalgas, Cumana, Sans Souci, Toco, Grande Riviere and Matelot. We are advancing this project in phases with completion carded for 2021.

The Churchill Roosevelt Highway extension to Manzanilla: The 33 kilometre Churchill Roosevelt Highway extension to Manzanilla is also under the construction. The project, like the Valencia/Toco roadway, will open up east Trinidad to increased economic and social development, presently an underserved area with great potential, encouraging and stimulating agriculture, tourism and other growth areas in Cumuto, Manzanilla, Sangre Grande and Mayaro to Guayaguayare.

The Curepe interchange: Mr. Vice-President, the Curepe interchange is being constructed at a cost of \$221.6 million. We envisage full commissioning of this important project by March 2020. All motorists proceeding along the Churchill Roosevelt Highway, both eastbound and westbound, in the vicinity of north and south Valsayn, Curepe and St. Augustine, will now experience significantly less traffic congestion with the removal of traffic lights at Valpark, Valsayn and the Churchill Roosevelt Highway Southern Main Road intersection.

10.30 a.m.

The San Fernando Waterfront: Mr. Vice-President, the San Fernando Waterfront Project upon completion at a cost of \$1 billion will become the commercial core of the City of San Fernando, with increased opportunities for

income-generating activities as well as improved living conditions.

Coastal protection: Coastal protection work in several areas are established in coastal communities as models of sustainable development. At Quinam, the beach was reopened to the public in December 2018. At Manzanilla, the Cocos Bay stabilization works are at an advanced stage of completion, and so is the Sans Souci shoreline. The Cap-de-Ville shoreline will be completed in 2020. The construction of the breakwater of the Magdalena Grand Golf and Beach Resort is expected to be completed, as well as the Matelot ground repair works.

The Moruga Agro Processing and Light Industrial Estate will be commissioned before the end of this year. We are in the process of tenanting the Park, having already identified ten potential investors interested in processing fruits and vegetables. We are establishing this Moruga facility as a catalyst for expanding the agricultural sector and for generating exports of competitive agro-products.

The Toco Port will facilitate a faster alternative sea route between Tobago and east Trinidad. This will accommodate safe berthing for the fishing vessels of fisherfolk in that area and improved maritime security. The environmental requirements are now being addressed, and this is paving the way for the award of a design/build contract in 2020, at a total cost of \$750 million, the Toco Port should be completed in 2022.

The Moruga Fishing Port, Mr. Vice-President, is a new modern fishing port with its berthing and landing facilities. This project is in the environmental certification stage with construction of the marine facility scheduled to begin in 2020. The lives of the citizens of Moruga will be significantly improved, bearing in mind that a large portion of that population depends on the fishing industry for their livelihood.

Health care infrastructure works: We continue our efforts in health care and health care infrastructural works as follows: The Arima Hospital is to be commissioned before the end of 2019. The Point Fortin Hospital with 100 beds will be commissioned in January 2020. Construction of the new Sangre Grande Hospital with 100 beds has started, with the completion date scheduled for November 2021. The Port of Spain Hospital, just central block, now in design development, will provide 540 beds when completed in January 2022. The Couva Medical and Multi-Training Facility is a 230 bed hospital. The hospital will provide its services on a sequenced basis, initially with referred services for patient medication, therapy management and diagnostic testing. The Roxborough Hospital, Mr. Vice-President, will be a fully functional medical facility with commissioning scheduled for 2021.

The Energy Sector: Mr. Vice-President, it would be remiss of me to not outline our successful developments with respect to the Petroleum Company of Trinidad and Tobago, Petrotrin. The Heritage Petroleum Company Limited, a new exploration and production company, has already achieved profitability and is contributing to public revenue. The company has succeeded in achieving growth in its quarterly production levels, both offshore and on land and has generated revenues of \$3.287 billion in the first three quarters of operation, leading the company to register a net profit of \$543.5 million. The company is expected to ramp-up production from a projected annual average of 35 barrels per day in 2019, to just over 40,000 barrels per day, by 2020. The company has increased production from 31,000 barrels in December 2018 to 33.5000 in June of 2019.

Mr. Vice-President, the Guaracara Refinery Company Limited into which the refining assets of Petrotrin were placed now in an advanced steel process with a broad-based evaluation team now negotiating with the preferred bidder, the

Patriotic Energies and Technologies Company Limited, a company which is wholly owned by Oilfields Workers' Trade Union. These discussions are proceeding, UNC vacillations on this matter notwithstanding. [*Desk thumping*]

The benefits of restart of the refinery for the communities of Marabella, Pointe-a-Pierre, San Fernando and Gasparillo are obvious and we are comforted at the expected realization of these fence line communities.

Mr. Vice-President, Tobago: We continue to support the development of all economic sectors in Tobago. We are seeking to gain competitive edge in the tourism sector and to this end, the Government is currently in discussions with Apple Leisure Group, a first-class vertically integrated travel and hospitality conglomerate, to manage and operate the Magdalena Grand Beach and Golf Resort. Completion of the Roxborough administrative complex and the rehabilitation of the Claude Noel Highway will enhance the tourism envelope for Tobago. We will continue to work with the Tobago House of Assembly on the construction of the new ANR Robinson International Airport Terminal. The sea bridge now has in operation the *Jean de la Valette*, a newly leased ferry which has joined *Galleons Passage*, *TT Spirit* and the *Cabo Star* in the service of the sea bridge. Two brand new state-of-the-art fast ferries are expected to arrive in mid-2020 to further enhance that service.

For fiscal 2020, the budgetary allocation to the Tobago House of Assembly is \$2.283 billion, 2.033 billion of which is allocated for recurrent expenditure and 231.6 million for capital expenditure. Eighteen million is allocated for the Unemployment Relief Programme in Tobago. This allocation to the THA represents 4.3 per cent of the national budget and is consistent with the recommendations of the Dispute Resolution Commission.

The Minister of Finance has granted approval to the THA to utilize bond

financing in the amount of \$300 million to fund critical development projects in Tobago, based on the creditworthiness of the Tobago House of Assembly. It should also be noted that in addition to the above, an additional approximate \$1 billion is allocated through various Ministries and statutory bodies to be spent in Tobago.

Fiscal 2020 Estimates of Revenue and Expenditure: Mr. Vice-President, we continue to be mindful of the challenging macro-fiscal environment influenced by external and sometimes volatile movements in commodity prices and will rationalize expenditure accordingly in broad alignment with *Vision 2020* agenda. Our budgeted revenue for 2020 is projected on the same oil and gas price assumptions established in the mid-year budget review, that is, an oil price of US \$60 and a gas price of US \$3.00 per MMBtu. Accordingly, total revenue has been budgeted at \$47.749 billion up from \$46.559 billion, an increase of 1.19 billion for the estimated revised outturn for 2019. Total expenditure for 2020 has been budgeted at \$53.036 billion, an increase of \$2.53 billion over fiscal 2019 outturn of \$50.5 billion. But significantly below the peak expenditure of \$62.8 billion achieved in 2014.

The fiscal deficit of 2020 is expected to increase marginally to \$5.287 billion or 3.1 per cent of gross domestic product, to a fiscal deficit of \$3.947 billion or 2.4 per cent of GDP in fiscal 2019, which is lower than the originally projected deficit of \$4.05 billion in 2019.

Mr. Vice-President, based on these assumptions we are projecting for 2020, total revenue of 47.749 billion of which oil revenue will total 11 billion; non-oil revenue, 35.795 billion; and capital revenue of .950 billion; total expenditure net of capital repayments and sinking fund of 55.36 billion and a fiscal deficit of 5.287 billion.

The major fiscal 2020 allocations will be as follows: Education, 7.548 billion; National Security, 6.44 billion; Health, 6.084 billion; Public Utilities, 3.047 billion; Works and Transport, 2.956 billion; Rural Development and Local Government, 2.469 billion; Housing, 1 billion; Agriculture, .708 billion. We will raise domestic financing on the capital market in a net amount equivalent to 3.811 billion and external financing in a net amount of 1.476 billion.

Fiscal and other measures, Mr. Vice-President: Mr. Vice-President, the following key fiscal measures form the basis of strategic interventions required for the achievement of the Government's objective under *Vision 2030*. Insurance—life insurance companies, taxation reform. Mr. Vice-President, we have recently reformed the legislation under which life insurance companies operate and we have now completed the technical work relating to the taxation of life insurance companies in light of the provision in the Insurance Act, 2018, that the Statutory Fund be eliminated. With the Statutory Fund no longer available as a tax basis, a new methodology is proposed to replace the existing basis for taxation of life insurance companies. The new methodology will have minimal, marginal impact on the tax position of insurance companies and will be easily implementable. This measure will require amendments to the Corporation Tax Act.

Life certificates for pensioners: Mr. Vice-President, the Government proposes to eliminate in the first instance the requirement for life certificates for the category of Government pensioners who were born in Trinidad and Tobago and possess their computerized birth certificates and associated personal identification numbers. This measure will be subsequently extended to include recipients of Senior Citizens Pensions. I wish to point out that the total elimination of life certificates is not possible at this time as the new system involves the matching of personal identification numbers from the Trinidad and Tobago

National Computerized Birth Certificate system to the Trinidad and Tobago Registry of Deaths.

Immigration and customs arrival forms: Mr. Vice-President, in an effort to keep up with international best practice and the ever-changing world of technology, we propose to eliminate immigration and customs arrival forms at our airports. The new system will rely on advance passenger information, using machine-readable passports and other appropriate technology. This initiative will significantly reduce the lengthy lines at our airports as it is aimed to improve the efficiencies at Immigration and Customs. This new policy will take effect in 2020.

Life bulbs/tariff structure: Mr. Vice-President, in order to support the transition to LED lighting, the Government proposes to remove all taxes and duties on LED bulbs and appurtenances. [*Desk thumping*]

Solar water heating equipment: Mr. Vice-President, the Government proposes to increase the solar water heating equipment tax credit from 25 per cent to 100 per cent of the cost of solar water heating equipment up to a maximum of \$10,000. [*Desk thumping*]

Hon. Senator: They really putting the sun to proper use.

Sen. The Hon. A. West: This initiative will benefit approximately 12,000 households—well said—and will take effect from January, 1, 2020.

10.45 a.m.

Energy exploration and development: Mr. Vice-President, the capital allowance for energy companies involved in exploration and development is currently 50 per cent for the first year, 30 per cent for the second year and 20 per cent for the third year. We propose to provide a capital allowance for exploration and development for both tangible and intangible expenditure to be computed on a straight-line basis over five years; that is 20 per cent per year. This measure will

result in significant additional revenue for the Government and will take on January 01, 2020.

Energy loss relief: Mr. Vice-President, in order to increase our revenue derived from our natural resources from companies engaged in the oil and gas exploration and development, the Government proposes a reduction in the loss-relief rate from 100 per cent to 75 per cent of taxable profit. This measure would take effect on January 01, 2020.

Investment tax credit: Mr. Vice-President, the Government proposes to increase the investment tax credit for energy companies from 20 per cent to 25 per cent to stimulate further exploration and development-related investments in the energy sector. This increase will give companies the ability to claim 25 per cent of the expenditure on development activity for mature fields and enhanced oil recovery projects as a credit against their supplemental petroleum tax liability. This measure will take effect on January 01, 2020.

On-The-Job Training: The Government proposes to increase the OJT programme stipends by 10 per cent [*Desk thumping*] and to increase the intake for the programme to 8,000 trainees. [*Desk thumping*] This measure will take effect on December 01, 2019.

The minimum wage: Mr. Vice President, the Government proposes to increase the minimum wage from \$15 to \$17.50 per hour. [*Desk thumping*] This measure will benefit approximately 194,000 persons in the workforce, and will take effect from December 01, 2019.

The personal allowance to the airports: Mr. Vice-President, the Government proposes to increase the value of personal goods which can be imported without incurring customs duty from \$3,000 which was set in 2005 to \$5,000. This measure will take effect from January 01, 2020.

The creative industries: The Government proposes to increase the tax allowance from \$3 million to \$6 million for the corporate sponsorship of nationals in the local fashion industry, audio, visual and video productions for the purpose of local education or local entertainment and local production companies in respect of their own productions, as well as for companies which sponsor sporting activities or events or sportsmen and art and culture. This measure will take effect from January 01, 2020.

Public service pension: Mr. Vice-President, public service pensions was reformed in 2019 with public servants immediately upon retirement receiving \$3,500 per month. A total of 15,000 public servants are now benefiting from this reform. The Government now proposes to review public service pensions with a view to indexing these pensions at an appropriate level. [*Desk thumping*] This review will be completed in fiscal 2020.

Cooperative societies: Mr. Vice-President, the Government proposes to amend the Cooperative Societies Act to increase the current limit of \$5,000 imposed on the transfer of shares or interest payable to a nominated beneficiary upon the death of a member to \$50,000. This measure will take effect from January 01, 2020. We also propose to take steps to put in place the appropriate machinery to provide for the payment of utility bills by cooperative societies and credit unions.

In addition, after extensive discussions with the credit union movement, we propose to create a new independent authority to govern the cooperative sector. [*Desk thumping*] This new entity will be the regulator of cooperatives and will report to the Ministry of Finance. After the new entity is established, financial credit unions will be able to offer certain types of banking or quasi-banking services such as encashment of cheques and teller services. The Deposit Insurance

Corporation will be required to maintain a fund to meet any emerging liabilities of the sector.

CEPEP: Mr. Vice-President, the Government proposes to increase the wages of CEPEP workers by 15 per cent, and also to increase the fees paid to CEPEP contractors by 15 per cent. These measures will take effect on December 01, 2019.

Unemployment Relief Programme: The Government also proposes to increase the wages of URP workers by 15 per cent. [*Desk thumping*] This measure will take effect on December 01, 2019.

Daily-paid public servants: Mr. Vice-President, presently when a daily-paid worker in the public service requires, a lump sum of money is received, but no pension. The Government proposes that daily-paid workers in the public sector with appropriate minimum length of service will be eligible for a pension consistent with the minimum public service pension of \$3,500 a month. [*Desk thumping*]

Mr. Vice-President: Minister, you have five more minutes.

Sen. The Hon. A. West: Thank you, Mr. Vice-President. This will be a contributory pension plan similar to the contributory health plan already in force for public sector workers. Further details of this measure will be given in the Finance Act of 2019 and the new pension plan for daily-paid workers will take effect in 2020.

Styrotex and plastics: Mr. Vice-President, in our pursuit to attain our stated goal of placing the environment at the centre of national development, the Government proposes to eliminate the use of Styrofoam and the single use plastics within the national economy. As an initial step, the Government proposes to ban the importation of Styrofoam for use in the food service industry, and to require manufacturers of food containers to introduce additives to make their products

biodegradable. In order to encourage behavioural change, we propose to terminate the use of plastic water bottles in government offices and substitute them with coolers with filters. This measure will take effect on January 01, 2020. [*Desk thumping*] And, Mr. Vice-President, may I compliment the Parliament in leading the way in this matter.

Agriculture incentive structure: Mr. Vice-President, to further stimulate domestic agriculture, the Government proposes to remove all taxes on all duties on imports and resources for farmers registered for agricultural purposes, and to make agriculture in all its facets including processing of local agricultural products, a tax-free industry. [*Desk thumping*]

Mr. Vice-President, the Government proposes to put in place an appropriate framework within which the value added tax was originally established to allow for the refund of VAT on a current and consistent basis. For this purpose the Government proposes to offer \$3 billion in the first instance in interest-bearing government bonds to all eligible VAT-registered businesses to meet VAT arrears. The new VAT bonds will have a tenure of five years and bear interest at the rate of 1.5 per cent per annum. Further details of this incentive will be provided in the Finance Act in December 2019.

In closing, Mr. Vice-President, the 2020 budget appropriately themed “Stability | Strength | Growth” signals that we have reversed the economic uncertainty that we met in 2015 and are now on a track to steady and sustainable growth. We are ever mindful of the global economic factors impinging on our domestic economy, and we will take this into account in treating with economic policy.

Mr. Vice-President, Oprah Winfrey, perhaps the most successful African American female entrepreneur, said:

“The key to realizing a dream is to focus not on success but significance - and then even the small steps and the little victories along your path will take on greater meaning.”

Sen. Baptiste-Primus: Well said. Well said.

Sen. The Hon. A. West: This, Mr. Vice-President, resounds throughout the life and breath of this PNM administration. We do our work quietly, but remain results oriented, steadfast in our determination as we continue to press on for the good of the people of Trinidad and Tobago.

Mr. Vice-President, I thank you and I beg to move. [*Desk thumping*]

Question proposed.

Mr. Vice-President: Sen. Mark. [*Desk thumping*]

Sen. Wade Mark: Thank you very much, Mr. Vice-President. Mr. Vice-President, it is now well-established and accepted that the real budget was presented by this country's next Prime Minister, [*Desk thumping*] the hon. Kamla Persad-Bissessar on Friday the 11th of October, 2019.

What we have been presented with this morning is a disconnected, disorganized, wishy-washy set of proposals with no vision, no direction, Mr. Vice-President, [*Desk thumping*] no plan to get our economy and country working again. UNC works, the PNM talks. [*Desk thumping*]

Mr. Vice-President, our country and its citizens are locked in mortal combat and daily struggle in confronting, combating and we will be ultimately defeating this Rowley curse which like a bolt of lightning has descended upon this nation. [*Desk thumping*]

Mr. Vice-President, after four years of PNM deception, empty promises, crushing austerity, unprecedented and sophisticated corruption, this country is today worse off than it was under a progressive UNC-led administration. [*Desk*

thumping]

Mr. Vice-President, a fundamental and major paradigm shift is absolutely essential if this country is to be saved for virtual barbarity under this administration. A new path and direction is urgently required if this country is to change course. This country under this administration, the PNM, is heading in the wrong direction. [*Desk thumping*] I would like, Mr. Vice-President, to share with you a very powerful quotation, unforgettable words from one Maya Angelou. I want to quote, Mr. Vice-President:

“...people will forget what you said, people will forget what you did, but people will never forget how you made them feel.”

I want that quote to sink into the head of every single voter when they head to the voting booths on the 2nd of December. [*Desk thumping*]

Mr. Vice-President, after a season of suffering, brutality, terror and austerity, the ruling elite represented by this neo-colonial Rowley-led PNM administration has now decided to offer crumbs falling off from the master's table to a battered, bruised and mentally scared population.

Mr. Vice-President, the new of colonizers of our country have offered to increase, as we are told, the minimum wage by a few \$2.50. Provide what?—a 15 per cent increase in wages to CEPEP workers, yet still the allocation is the same. Also, Mr. Vice-President, offer the same 15 per cent to the URP workers. They have offered a stipend 10 per cent increase to the OJT. It is a promise, Mr. Vice-President. They have also promised to address a new pension plan for thousands of daily-rated workers, as well as to promote the indexation of pensions of public officers to the cost of living. These things will not happen until they are out of office. [*Desk thumping*] We will have to do these things. [*Desk thumping*] Mr. Vice-President, all these are meagre offerings that are happening just 15

months away from a general election.

Mr. Vice-President, the truth is that this hapless, incompetent, clueless and wicked [*Crosstalk*] PNM Government has been like a [*Desk thumping*] rudderless ship, drifting aimlessly for the past four years without any plan, without any vision, without any direction. This economy has been on virtual autopilot, so much so, Mr. Vice-President, that its GDP growth rate has been recorded as the 7th worst in the world in 2016, the 12th worst in the world in 2017, and the 15th worst in the world in 2018, according to the World Bank Development Indicators 2018.

Mr. Vice-President, this economy has been in a free fall over the last four years with negative economic growth of minus 6.3 per cent, minus 2.3 per cent, minus 0.2 per cent, in 2016, 2017 and 2018. We expect, contrary to what the Minister has just said, about projections of 1.7 per cent growth in 2019, we expect the economy to stagnate even further in 2019 and 2020.

Mr. Vice-President, after 2020 we will have a record of having five consecutive years of possibly negative economic growth under this administration. This intellectually bankrupt, shameless [*Desk thumping*] and corrupt regime ought to be reminded that a nation's prosperity is created, not inherited. Innovation in our country is under siege. We live in a capitalist, free enterprise economy, and the Government needs to be reminded that firms compete, not nations.

Sen. Gopee-Scoon: That sounding like last year's speech. Like we "ain't" do nothing this year.

Sen. W. Mark: It is the responsibility of the Government to create the appropriate environment to make it easier for firms to do business. I am coming to the incompetent Minister of Trade and Industry. [*Crosstalk*] All right. All right, Mr. Vice-President, I withdraw that. Mr. Vice-President, you have to protect me too, eh, from this lady. Yes, she is disturbing me.

Mr. Vice-President: Sen. Mark, that is why we do not go down that road.

Sen. W. Mark: I agree.

Mr. Vice-President: Just temper the language and watch how you are referring to other Members in the Chamber. Continue.

Sen. W. Mark: I am just reflecting the aspirations and dreams and hopes and wishes of the masses of people. [*Desk thumping*] Mr. Vice-President, but I hear you. I hear you.

Mr. Vice-President, business development stimulates sustainable employment and exposes citizens to new technologies, processes and skills through research and development. It is easier to do business in St. Lucia, in Dominica and even in Jamaica than to do business in our beautiful twin-island republic state.

Mr. Vice-President, according to the World Bank Ease of Doing Business Report, this country dropped from the rank of 66 and plummeted to 105, thanks to an incompetent Minister, thanks to a Minister who has not been doing her job well. She has not been doing her job well. So today, Mr. Vice-President, the ease of doing business is almost, you know, you cannot understand why this Government, a simple thing of starting a business, employing workers, registering a property, setting credit, protecting investors, trading across borders, enforcing contracts, Mr. Vice-President, it takes almost 1,450 days to enforce a contract in Trinidad and Tobago. In Jamaica, it takes a mere 550 days. These are things that the Government should be paying attention to, and our hon. Minister of Trade and Industry.

Mr. Vice-President, in addition to the underperformance we have witnessed in almost every conceivable indices, a collapse in our performance, whether we look at the Index of Economic Freedom, the Global Peace Index, the Misery Index, the governance indicators, Corruption Perception Index or the Global

Competitiveness Index, under this Government, Trinidad and Tobago last been sliding and reversing, Mr. Vice-President.

Mr. Vice-President, for example, the Index of Economic Freedom shows that Trinidad and Tobago has been trending downwards, 6.41 in 2015, the higher the better, the lower the worse; 6.1 rather in 2015; 62.9 in 2016, to 61.2 in 2017, to 57.7 in 2018, to 57 per cent in 2019. That is the state of play under this Government and that is under four broad rules or headings, Mr. Vice-President, the rule of law, government size, regulatory efficiency and open markets with government integrity under siege with just a mere 32.9 per cent.

Mr. Vice-President, when it comes to the Global Peace Index, we ranked in 2016, 84. It went to 97 in 2017, 86 in 2018, 93 in 2019, with the lower scores indicating a more peaceful country; this is the score card. In terms of the Misery Index, this country fell from a high of 65 per cent in 2014, to a low of 34 per cent in 2017 which shows the level of misery rising among the population under this Government, with the lower rank showing a country being worse off than a higher ranked country.

Mr. Vice-President, when you combine this collapse in the ranking under this index with the collapse in GDP per capita, from US \$20,000 in 2014 to roughly 70,000 and above in 2018, along with rising poverty levels and an exponential growth in unemployment levels totalling, Mr. Vice-President, we are estimated over 100,000 workers have been placed on the breadline, therefore, the rate of misery has multiplied and escalated.

Mr. Vice-President, when you go to the World Bank publication on good Governance Indicators you see where you have an indicator known as the control of corruption, this Government in 2011 under the People's Partnership it was 54.9; the higher the value the better off the country is in governance. Under the PNM in

2018 it declined to 44.2 per cent. Mr. Vice-President, and you can go on to other indicators like the government effectiveness, you will see a decline. You go on to the rule of law, there is a fall, Mr. Vice-President.

Mr. Vice-President, these indicators, what they are showing in essence is that our standards are falling under the PNM Government, democracy is under increasing threat, and corruption is also rife under this Government. The abuse of public office has increased. This is what these indicators are showing since this Government came to power. Mr. Vice-President, this has led to a loss of confidence in the Government and in the administration of justice. It is clear that the Rowley-led Government poses a clear and present danger to this country's democracy, and they must be swiftly removed and [*Desk thumping*] we are hoping that the people will begin that process on Monday the 2nd of December.

Mr. Vice-President, we must never forget that this PNM came to this Parliament to undermine the people's access to information when they brought the amendment to the Freedom of Information Act, and never forget [*Desk thumping*] that they were beaten back and they had to retreat and surrender to the will of the people. So, Mr. Vice-President, these—and then you have statements being made by senior politicians in this country that the social media constitutes a threat to democracy. These are serious, serious matters that are undermining our democracy.

Mr. Vice-President, when we look at the labour market in our country, we will recognize that job losses under this Government, as I said, increased. Under the PNM, within two years of the arrival of the PNM, Mr. Vice-President, the evidence is showing, the data is showing that over 31,000 jobs were lost by mid-2017 as recorded in the *Review of the Economy*. When combined with the NIB data which we have collected and it was published as well, between mid-2017 to mid-2018, a further 26,800 persons lost their jobs. When you add that in 2018 to

5,000 workers going home at Petrotrin, 200 at UTT, 631 at TSTT and many more in other small entities and enterprises, we get close to 64,000 jobs being lost. Mr. Vice-President, when we combine that anecdotal evidence of other under-reported jobs in our job losses, we arrived at close to 100,000 jobs being lost under this administration.

I want to remind this country and to remind this Senate that under the United National Congress in the People's Partnership we created 55,000 jobs. [*Desk thumping*] We created 55,000 jobs. Mr. Vice-President, when we say that we work and the PNM talks, this is a manifestation of it.

I would like sometime when the Minister, that is the outgoing Minister of Labour and Small Enterprise Development, when the hon. Minister rises, I would like the hon. Minister to indicate to us, how many collective agreements have been signed under her watch and registered at the Industrial Court? And, Mr. Vice-President, what was the value of those collective agreements? We would like the hon. Minister to tell us that.

Mr. Vice-President, then we come to the daily-rated workers and this pension plan. Mr. Vice-President, whatever can be done to help the daily-rated workers, we would welcome, but you know what, Mr. Vice-President, we know this is a promise that will never materialize. The PNM stands for that, promises never materialize. [*Desk thumping*] Mr. Vice-President, they are also promising the public servants to index their pension, but they said that will happen in 2020. That is when?—2020. Who will be there? They will not be there, so it is a promise that will never materialize.

Mr. Vice-President, there are some questions that the country is asking for clarification. For example, has there been a memorandum of agreement between the Government and the recognized majority union in this matter on the rules of

the pension plan? That is the majority union, NUGFW? Mr. Vice-President, the question that is also being asked, is who will become eligible to join this pension plan? Who will be the service provider for this pension plan? Has a provider been identified and selected? We need to know these things. Will the pension plan be retroactive? How will we deal with workers who retire at different ages within the daily-rated sector? Mr. Vice-President, there are workers who retire at the age of 60, and there are workers who retire at the age of 65; we do not know.

What about the other unions, like the Amalgamated Workers Union and the Contractors and General Workers Trade Union? Are they going to be called in for consultation as it relates to this new pension plan that the Government is speaking about? What will be the size of the management committee? Will daily-rated workers be eligible to access this plan?—all of them that is. These are matters that we will like to have clarified in the interest of the workers of country, the daily-rated workers.

Mr. Vice-President, another area that we are concerned with, what has happened with the much promised social dialogue that the PNM boasted it would promote when it won the election?

11.15 a.m.

What is the status of the Economic Development Advisory Board? What has become of the National Tripartite Advisory Board? Could the outgoing Minister of Labour indicate to us in this Parliament, what is the state of play with all the promised legislation? What about the amendment of the IRA? What about the Retrenchment and Severance Benefits Act? When are these amendments coming to this Parliament, Mr. Vice-President? We do not know. [*Crosstalk*] The hon. Minister herself, touted something called a 10-point plan called “the National Employment Registry”. What is the current status of this Registry?

Sen. Baptiste-Primus: It is working.

Sen. W. Mark: What is the current status of collective bargaining? The PNM promised timely settlement of all outstanding negotiations in their manifesto, but nothing has materialized in that direction. Mr. Vice-President, how many collective agreements, I am asking the hon.—Yes? [*Crosstalk*]

Mr. Vice-President: The noise level while the Member is trying to contribute, is getting a little high. Can we maintain a lower level please?

Hon. Senator: Contain your voice.

Sen. Wade Mark: Yes, I will contain my voice.

Mr. Vice-President, how many collective agreements I ask, have been signed and registered over the past four years under this regime? What has been the value of those collective agreements? Mr. Vice-President, I can say without hesitation and equivocation, that the Partnership signed and registered over 130 collective agreements, and, at the value of \$4 billion, in the five years that we were there. [*Desk thumping*] We got from the Minister of Labour, when she answered a question in another place, in another session, that there were only 18 collective agreements signed up to 2018.

Sen. Obika: Shame!

Sen. W. Mark: So, Mr. Vice-President—

Mr. Vice-President: Member. Sen. Obika, I just ruled, in relation to the noise level while Sen. Mark is contributing. Can we not have any outbursts while a Member is contributing from either side of the floor. Sen. Mark, continue.

Sen. W. Mark: Thank you, Mr. Vice-President. I now turn to corruption and poor procurement practices under this administration. Mr. Vice-President, in his haste to misrepresent reality, the Minister of Finance stated that under this Government—that I would like to describe as a kleptocratic government—

[*Crosstalk*] No, you borrowed that from us. A kleptocratic government, yes, I have it here written for you. He said, and I quote:

“...corruption is no longer a feature of public transactions as it was prior to...2015.”

This is ludicrous and laughable and comical and jocular. [*Desk thumping*] Nothing could be further from the truth. Both Transparency International is showing that we are rising, as well as the Index of Economic Freedom is showing that governance weaknesses persist in this administration. There have been several questionable and suspicious transactions crying out for action, if not swift, criminal forensic investigation. [*Desk thumping*]

Let me outline a few to just alert the Minister who seems to have gone into a deep slumber. Let me indicate to this sleepwalking Government that seems to be heading into oblivion; [*Desk thumping*] let me indicate, Mr. Vice-President, a few, just for your consumption.

We are asking and the public is asking, what is the real cost of the two Cape-Class patrol vessels that we are expected to get into our waters for the Coast Guard by 2020? Mr. Vice-President, a contract we understand was signed for \$126 million for these two Cape-Class vessels. Mr. Vice-President, when we did our research and we have the information, the Australian National Bank chartered from Austal, in 2015, same vessels, same designs, same specification, you know for what, Mr. Vice-President? Two of them, for AUD \$63 million. We are being told, Mr. Vice-President, that those same two vessels that we are buying from the same shipbuilder is costing us AUD \$126 million. Twice the cost, which is TT \$600 million.

Mr. Vice-President, let us deal with what has been going on here. At first, Mr. Vice-President, we got an announcement from the Australian themselves, that

is Austal, indicating that these two vessels will cost AUD \$100 million. Then, we got—which is US 90 million by the way, Mr. Vice-President—then we got from an official from the Ministry of National Security, sometime in a *Newsday* article on the 2nd of August, 2018, that each of the vessels will cost 35 million, which is 70, so we got 90, now we got 70, Mr. Vice-President. Then we got a further statement from the hon. Prime Minister when he addressed what is called “Mind Your Business” address to the nation, on the 6th and 7th of January, 2019. The hon. Prime Minister put on the screen TT \$600 million, which was the equivalent of the AUD \$100 million, which is US \$90 million.

Mr. Vice-President, and here comes the grand finale, on Friday the 18th of October, glued to my television, I heard the Minister of National Security informing the national community at the Standing Finance Committee that the two Cape-Class patrol vessels is costing this country 41 million each, which is equivalent to US \$82 million, US 41 million per vessel, tallying to 82 million for two, which is equivalent to AUD \$115 million, and not the contracted price of 126 million as announced by Austal.

Mr. Vice-President, somebody is not telling the truth. Who is misleading all—could I say lying, Sir?

Mr. Vice-President: No.

Sen. W. Mark: Who is misleading the country? Who is not telling the truth to the country? Mr. Vice-President, this is a situation in which the people are being called upon to pay \$300 million more, for two vessels that cost the Australian Navy through the Bank of Australia, 300 million. So there is a \$300 million discrepancy involved in this transaction. [*Desk thumping*] And we are calling for a criminal forensic investigation into this matter. [*Desk thumping*] We intend to write the Australian Government on this matter. We intend to write them and the United

States Government, an ethic on this matter. Mr. Vice-President, this is scandalous.

The second thing I want to go to quickly, is the contract that was canceled between CGGC and HDC. Mr. Vice-President, we know that when you breach a contract, according to the terms you pay. The Government has cancelled this contract, we “doh” know what will be the final cost to the people of Trinidad and Tobago. But a price will be charged to us, and we would like some kind of investigation to be conducted into this matter because there was a deliberate attempt to cancel this contract when the information was revealed, that the Government was selling out our patrimony to this Chinese company. So we want an investigation into that matter.

Mr. Vice-President, the Code of Conduct under the Integrity in Public Life Act, talks about conflict of interest. We have a situation where government buildings are being rented for \$600,000 a month, from senior officials in this administration. This cries out for an investigation. [*Desk thumping*] This cries out for an independent investigation, Mr. Vice-President, and the Government say “dat dey doh know what is going on”. Mr. Vice-President, this is serious business.

Mr. Vice-President, let me go quickly to the Petrotrin saga. I have in my possession, and which I can always pass on to you, Mr. Vice-President, a document I got from the legal Ministry, called a debenture. I also have what is called a prospectus, accompanying this debenture. It is a very fat document, 452 pages. This debenture agreement involves, Mr. Vice-President, over US \$1 billion. This was financed, or arranged rather, by Credit Suisse Cayman Island branch, in the sum that I have just outlined, which is equivalent to about TT \$8 billion. This same Credit Suisse that arranged this whole transaction was recently sentenced by a district court in the United States, Mr. Vice-President, for assisting US taxpayers in filing false income tax returns, and other documents with the Internal Revenue

Service. In other words, Credit Suisse was charged by the United States courts for tax evasion.

Mr. Vice-President, a judgment was handed down in December of 2014, in which this bank was fined rather, US \$2.6 billion. It is a criminal offence under the US law. This happened in 2014. We were signing an agreement through Trinidad Petroleum Holdings Limited under the former chairman, Mr. Espinet, with this same Credit Suisse, in June of 2019, when we knew this company, this bank, was involved in money laundering and tax evasion. And our country today, Mr. Vice-President, has been blacklisted by the Global Forum and the European Union. Mr. Vice-President, this is a serious and scandalous state of affairs, and it requires the intervention of the Financial Intelligence Unit, the Commissioner of Police, Mr. Vice-President, and the US Government.

Mr. Vice-President, I want to go further and let you know that this debenture agreement which is dated the 18th of June, was executed while this Government and its agents were actively receiving and evaluating international bids for the lease and sale of our refinery. The evidence that we have, Mr. Vice-President, and I want to put on record. We have no fight with the OWTU and their company called Patriotic Energies and Technologies. They were selected, they were the preferred bidders, we wish them luck. We have a duty as the alternative government and the incoming government to ensure that there is accountability, there is openness, [*Desk thumping*] there is transparency and there is good governance, Mr. Vice-President.

Mr. Vice-President, I would like this ask this Government, whether they are aware that in debenture—in this debenture that anyone can go and access in the Registry, that this debenture is fully secured, all the assets of the refinery at Pointe-a-Pierre, all the core assets are secured by nameless and faceless creditors,

bond holders, and secure note holders. Is the Government aware of is this? If the Government is aware of this, Mr. Vice-President, why is the Government, giving the impression to this country—

Mr. Vice-President: Senator, you have five more minutes.

Sen. W. Mark: Yeah. Why is this Government giving the impression to the country that everything is hunky-dory, in so far as the sale of the refinery?

11.30 a.m.

Mr. Vice-President, we are demanding that the master collateral and inter-creditor agreement be tabled in this Parliament as quickly as possible. This requires public consumption. This transaction involving 9.75 per cent rate of interest, that is the one point—no, they borrowed, under that 1.1 there is a secured loan for US 570 million, at a rate of 9.75, and this is guaranteed by Heritage Petroleum, Paria Fuel Trading Limited, and the same refinery. So, what we are seeing is a situation where our country may end up like the one that Mobutu was in charge of, Zaire, where, for instance, they pocket, that is Zaire, Mobutu, pocket large chunks of moneys at the expense of the people, and we want answers on this matter, on this Petrotrin matter.

Mr. Vice-President, I also want to bring to your attention a matter involving NIB. NIB, as you know, owns 20 per cent of Massy Holdings, and because they own 20 per cent of Massy Holdings, which is equivalent to 20 million shares, they ought to have a director on that board looking after the interest of our workers interest, who are insurers with NIB. But Mr. Vice-President, there is no such directorship on the board of Massy looking after the interest of the workers of this country, and therefore, we are calling on the Government, labour, and the employers to take action to ensure that the NIB is properly represented on the board of directors of that company called Massy Holdings Limited. I understand

that they were fined \$40,000 in 2011 for not indicating to the Securities and Exchange Commission that that company called NIB had become the largest shareholder in its operations.

Mr. Vice-President, I want to say quickly, that the UNC has a national economic transformation master plan to resuscitate this country's economy. [*Desk thumping*] We want to leapfrog into the fourth industrial revolution through a blueprint multilevel economic strategic plan for economic growth and development. And, Mr. Vice-President, the prosperity of our nation will be based on the following principles:

- People-centred development, setting people back to work. [*Desk thumping*]
- We are going to have a pro-business facilitation exercise where we would allow the private sector to drive growth and development.
- We are going to have a third principle of resilience, that is, we will deepen economic reform with a human face.
- We will focus on local content by giving people a sense of ownership and independence. [*Desk thumping*]
- We will deal with sustainability by promoting our proper environmental stewardship.

Mr. Vice-President, I want to tell you, in our journey towards a better and brighter tomorrow, I want to say history would not be kind to this outgoing PNM Government. [*Desk thumping*] They have sold our country for a mess of potage. It is said when evil men plot, it is time for good men and women to plan and to take the necessary action to save our country from certain debt and destruction. This is going to take place, if you are not careful, by a group of over-ambitious,

egotistical and dangerous, narcissistic and mego, mega, megl, megl—[*Laughter*]

Hon. Senator: Megalomania.

Sen. W. Mark: Mega—[*Laughter*] megalomania. [*Crosstalk and laughter*]
Megalomania. Right! [*Desk thumping*] I have another word for them. I want to
give you a substitution for this word.

Hon. Senator: Yeah, yeah, yeah.

Sen. W. Mark: The bread of wrongdoers. [*Desk thumping*]

Hon. Senator: Yes. Yes.

Sen. W. Mark: The bread of wrongdoers.

Mr. Vice-President: Senator, your speaking time is up.

Sen. W. Mark: All right, the bread of wrongdoers. [*Desk thumping*]

Mr. Vice-President: Sen. Deonarine.

Sen. Amrita Deonarine: Thank you, Mr. Vice-President. It is indeed a pleasure to have the opportunity to stand before this honourable House today and comment on the fiscal policy directive of the country. Many of us all live in the common misconception that the solution to the challenges of economic development lies in more growth, more economic growth, but the prosperity of a nation does not have to be contingent on economic growth alone, but implementing policies that would generate a greater level of efficiency, a greater level of efficiency in an economy such that it allows us to thrive during periods of adversity. Because, Mr. Vice-President, adversity is inevitable whether we are diversified or not.

What are we aspiring to in Trinidad and Tobago? Well, this Government has a national development framework that is embedded on the sustainable development goals. Looking at our progress in achieving these 17 sustainable development goals, according to the Sustainable Development Goals Report 2019, it shows that there are significant challenges still remaining in achieving nine of

these 17 goals, while major challenges remain in trying to attain zero hunger, taking climate to action, and creating a just system with strong institutions. Although we have progressed on many of these indicators, Mr. Vice-President, there are still critical areas that we have fallen behind on, and leaves us questioning the manner in which the moneys borrowed is being spent. Because deficit financing, the aim of deficit financing is to prevent regress during hard times, regress in economic development during hard times.

Everyone is well aware of the pattern of running fiscal deficits. I do not need to repeat again that we are in the 10th year of running a fiscal deficit and in the fifth year of running a primary deficit. As energy prices dipped in 2014, the Government embarked on a fiscal consolidation plan which began in 2015. It is not an easy task in such a politically charged environment. The dichotomy between economic policy and public policy is a difficult balancing act. It is critical to balance the long-term benefits of medium economic policy with the short-term benefits that accrue through politically motivated public policy. But, it is very difficult to get a population to try and come on board with fiscal consolidation, because rightfully so, we expect that our contributions to taxation should be transparently spent and should come back to us some way or the other through the reliable transparent provision of public goods and services.

During the fiscal consolidation exercise in trying to resort to fiscal prudence, the fiscal deficit has a percentage of GDP narrowed from 9 per cent to 3.1 per cent. This reduced expenditure was partly a cut in capital expenditure. After a 4 billion contraction in capital expenditure compared to fiscal 2015 levels, I am happy to see that once more we are allocating funds to try and increase our capital expenditure. So, although there was a 10 billion cut in recurrent expenditure, it seems as if it was only temporary, because the recurrent expenditure began to

increase again since fiscal 2019, and this is primarily because of recovery in the energy prices and because of recovery in energy production, not because we have attained any quantum of economic diversification outside of the energy sector.

The truth is that the strength of the non-energy sector is not yet quite capable to earn stable streams of revenue, so we have no other choice. We need to continue to rely on the energy sector, hence the reason the budget before us today speaks to incentives for the exploration, but at the same time, makes amends to taxes being paid by energy companies. Or else, Mr. Vice-President “whey de money go come from?” We have bills to pay. We have Ministries grappling to meet their operating expenditure and struggling to carry out the maintenance of critical Government facilities.

So, Mr. Vice-President, looking at the measures geared towards an increase in permanent expenditure, those geared towards increasing the salaries of employees in the OJT, URP, CEPEP programmes; the minimum wage increase; the increase in pensions; the increase in pensions for daily-paid workers; and the consideration for indexing pensions. Now, I am not against these increases, but what I am concerned about is our ability to sustainably maintain these increases. Because, the beneficiaries of these increases are primarily the vulnerable people in our society, and are the first ones who usually feel the brunt of a negative energy price shock.

When the country’s revenue crumbles, that is when we say we need to go back to the drawing board, we need to tighten our belts, we need to restructure these programmes. People fall victims to these processes. The poor who are trying to make ends meet, women from single parent homes, graduates with little work experience, retirees battling health problems. I mean, they are most prone to fall into unemployment and poverty from the cuts and readjustments in these

programmes. So while committing to these additional permanent sources of expenditure, guide us. Kindly guide us to the permanent source of revenue identified to guarantee the sustainability of these increases which accrue to the vulnerable members of our society.

Because, Mr. Vice-President, according to my analysis, we are still operating in a stagnating economy. The energy sector will continue to drive economic activity for the next decade or so despite lower levels of investment, despite continued declines from maturing assets, and challenging operating environments. Economic stagnation continues as real economic activity according to—in 2018, according to the Central Statistical Office, contracted by .2 per cent. A closer look at the first quarter of 2019 indeed did show that we grew by 1.7 per cent, but this is a 1.7 per cent growth after a significant contraction of 3.2 per cent in 2018, the last quarter of 2018. So, economic activity in the non-energy sector also continues to be sluggish because manufacturing and construction sectors have showed a real decline on a year-on-year basis. Now note, I am referring to real GDP growth figures. Although the CSO figures show some growth in the manufacturing sector in the first quarter of 2019, real growth in construction activity is not promising.

Furthermore, looking at some other indicators, loans to businesses and firms have contracted in the first six months of 2019, according to the Central Bank of Trinidad and Tobago, while demand in the labour market is dampening. The number of advertisement that is being advertised on print media has declined, and the number of hours worked is on a downward trajectory.

Although the fiscal deficit narrowed considerably, debt is projected to remain relatively stable from a debt to GDP perspective. However, we have a situation where the Exchequer Account is 40 billion in deficit, the net public sector

debt has increased from \$77 billion to \$102 billion over the period 2015 to 2019, and the overdraft facility, of course, at the Central Bank stood at \$10 billion as at May 2019.

So, in addition, we need to be reminded that since 2010 several amendments to legislation were also made to raise the debt ceiling, and to dispose of equity so that we can continue our deficit financing. An analysis of the debt dynamics of the country, commonly referred to as a debt sustainability analysis, shows that to maintain debt at its current levels of 62 per cent of GDP, it would require the Government to run primary surpluses that account for 3.1 per cent of GDP in the long-term. This is a significant fiscal adjustment that is required to preserve the sustainability of public debt. Now, of course, this is given the assumptions that the historical real interest rate continues to be 5.5 per cent, and providing that the economy would grow at a minimum of 0.5 per cent over the long term.

Mr. Vice-President, as we continued deficit financing over the last four fiscal periods, there has been a trend towards the issuance of domestic bonds, and the budget package is adding to the stock of domestic debt through the proposed issuance of a consideration of a proposed NIF Phase 2 Housing Bonds, VAT Refund Bonds, THA Bonds, and I understand the economic logic in resorting to domestic mediums of deficit financing. The less external loans that we take, the less drain that we would have on our delicate foreign reserves, but we need to consider the impact on the domestic economy. Government expenditure has been the major driver of liquidity in the system. Government's financing tends to limit credit availability to the private firms, because the more liquidity that the Government absorbs from the domestic system, the less there is available to finance private firms capital projects through borrowing. By issuing domestic bonds, we are encouraging savings, but in a stagnating economy, encouraging

savings for the business community should not be the focus of policy. The more liquidity businesses have tied up in bonds and savings, the less becomes available for investment to boost economic activity.

Private firms, especially businesses, are still in a tender position as they recover from the fiscal consolidation efforts. External debt on the other hand, we need to consider the rate at which external debt servicing requirements are increasing. It has more than doubled since fiscal 2016, where it was \$1.1 billion, and for fiscal 2020, it is estimated at \$2.4 billion. The financing requirements for external debt places more pressure on our delicate foreign exchange reserves. I would strongly advise the Government to be very meticulous with the planning and oversight in the implementation of projects. We have absolutely no room for wastage of our foreign exchange in financing these loans and incur inefficiently managed projects, projects that we have to depend on for the recovery of the construction sector and to generate some level of employment in the country.

This then brings me to the point of the rate and terms of execution and implementation of external loans. I see a growing inclination towards financing from the Latin American Development Bank, CAF, especially for infrastructure projects, and I wonder how competitive the interest rate is, compared to the other multilateral lending agencies. What are the terms of implementation and conditions for the release of funds? Is it governed by project management and monitoring and evaluation principles that ensure deliverables are results based? The debt servicing requirements for the first time exceeded capital expenditure in 2016, and continues to grow further. For fiscal 2020 capital expenditure is estimated at \$2.6 billion, whereas total debt service requirement stands at \$8.7 billion, more than three times that of capital expenditure. This is not desirable, and works against the Government forecast for economic growth in the next three

years, as was outlined.

Also, of course, we cannot forget the overdraft at the Central Bank. We cannot forget that the debt stock does not include the overdraft facility at the Central Bank. The facility stood at \$10.4 billion as at May 2019. A quick view at the draft estimates, I see that annually since 2018, 215 million is usually allocated towards covering this debt. However, in 2018 I see actual debt interest payment, interest payment to finance the overdraft was \$1.1 billion. And then in 2019, I see that the \$250 million figure was revised upwards to \$1.1 billion. And then there is an estimate of \$250 million, again, in fiscal 2020. So I am trying to understand exactly what is happening here, is it that we have cash flow challenges and therefore have not been able to, and therefore have been paying—have not been able to reduce the overdraft facility, and therefore have been paying more to service the debt?

Mr. Vice-President, this overdraft is seeking to—what this overdraft is really seeking to do is really to make cash advances to the Treasury to pay its bills, so that it can meet its overall deficit, meet requirements that deficit financing and energy revenues do not meet. What this does is that it expands the monetary base, which currently does not impact inflation because deposits are being sterilized. This does not mean that inflation problem is benign. It is just dormant. Any significant increases in aggregate demand can result in inflation and put pressure on the foreign exchange reserves. If the expanded monetary base ever translates to money supply, our foreign reserves could deplete quickly, and this brings me to the balance of payments account through the—

Though the current account recorded surplus since 2017, it continues to be outweighed by capital outflows, resulting in an overall external account deficit. Monetary policy by the Central Bank of Trinidad and Tobago is being used to slow

the rate of capital outflows. However, the weakened or a weakened business environment could render narrowing of interest rate differential as very inelastic. This affects the already challenged foreign exchange environment we are operating in, where external debt financing, food imports, capital outflows, and so on, are all placing additional pressure on the pegged exchange rate system which results in the Central Bank of Trinidad and Tobago drawing down on more reserves. Although I understand that the rate of intervention by the Central Bank of Trinidad and Tobago has been gradually slowing, but, foreign exchange shortages continues to be a problem despite mild devaluation and despite the interventions by the Eximbank. The impact of these shortages on the non-energy sector is a concern. These businesses are experiencing delays in settling bills and getting inputs in their production processes.

Mr. Vice-President, this in itself is a significant deterrent to business activity. No matter how many incentives that we implement across various sectors of the economy, a lack of foreign exchange availability can render your policies ineffective, and this problem will continue—this will continue to be a problem, because we have a real effective exchange rate that is overvalued. According to the IMF Article IV Consultation in 2018, the real effective exchange rate has appreciated by 21 per cent between 2010 and 2018. What this means is that the external competitiveness of our non-energy exports is pretty low. The prices of our non-energy exports are simply overvalued compared to the rest of the world.

In light of the economic stance of the country, the key challenges that Trinidad and Tobago will be facing over the medium term relates to the balancing of fiscal sustainability against the pursuit of long-term sustainable growth. The other important development challenges facing the country revolve around the poor quality of institutions, improving the business climate, improving our

competitiveness and productivity, and infrastructure.

Now, in balancing fiscal sustainability in the pursuit of long-term economic growth, there are several interventions that could be made. Our aim to balance the budget by 2020, 10 years after it initially went into deficit, and two years after the initial plan for balancing the budget in 2020 as was outlined in the medium-term fiscal consolidation plan in the fiscal package 2017. So, automatically, after we record a balanced budget in fiscal 2020, does it automatically mean that we should expect budget surpluses in the future? How many years afterwards should we expect budget surpluses? But on the other hand, what are the incentives that the Government has to adopt timely appropriate policies that would not be negated by subsequent expansionary fiscal policy contingent of energy price increases? Economists try hard to predict the prices of energy and it still remains largely unpredictable.

We cannot continue the habit of spending almost everything that comes in on an assumption that revenue will continue to come in. The super-cycle reality means that our reliance on energy exports and revenue should have a simple fiscal rule to guard against the sudden drops in revenue that can happen with sudden crash in energy prices. The rule is simple, spend less when prices are high so that you have buffers when prices collapse. So all of our minds may immediately be thinking about, is this not what the Heritage and Stabilization Fund is for? It is not enough. I am talking about a comprehensive piece of legislation for a fiscal rule framework which includes an overall balance rule. For example, fiscal balance that does not exceed a deficit of .5 per cent of GDP. An expenditure rule where, for example, the rate of growth of nominal current expenditure cannot exceed the estimated long-term growth in GDP; a debt anchor, establishing the 65 per cent debt to GDP ratio in law; a legislative fiscal council, that is, an independently

fiscally responsible oversight committee; sanctions for breach in any of these fiscal rules; and, of course, the appropriate escape clauses to provide for incidences of war or natural disasters and so on.

Now, Grenada and Jamaica have already established a fiscal rule framework. Barbados and Bahamas are in the process of setting up theirs. I know we might be saying that these countries have undergone IMF structural adjustment programmes and have severe economic macro-economic limitations, we are nowhere near there. But what I was trying to say is that we should not let it reach to that point, in order for us to implement these structural changes in the way our fiscal accounts and debt are managed in the country.

Of course, from a political perspective, there is little incentive to think about what may happen 10 years down the road. But, imagine if we had such a framework? Imagine how much less blame games will go on in this honourable House? Imagine how much permanent forms of expenditure we would not have committed to, such that we are in a position where 55 per cent of our total expenditure goes to transfers and subsidies on an annual basis. Imagine the level of efficiency state enterprises would have been operating at. Imagine how interruptions in policy continuity from changes in Government that could have been avoided.

Now, a fiscal route framework is just one part of the solution. Institutional strengthening is also necessary, and institutional strengthening does not necessarily mean insisting on the best legislation, but working towards increasing their capacity and transparency. Because, Mr. Vice-President, diversification is a slow process, and it cannot be built on lethargic functioning institutions. Diversification requires building an environment conducive to strong and stable revenue generating potential of the non-energy sector. We cannot yet rely entirely on the

non-energy revenues, because the volatility of the non-energy sector revenue has statistically shown that it is even more volatile than energy revenue. It therefore means that we have to work on the structural inadequacies that plague the system, to create a progression to less volatile means of revenues outside of the energy sector.

It is about instilling a cultural performance management across the public administration. This is a medium to long-term structural effort. Poor work ethic and lack of productivity may very well be a problem in public sector institutions, but have we ever stopped to ask why? Low worker morale usually comes from the perception that we cannot do anything to influence meaningful change in a system. Graduates get sucked into an age-old organizational structure where you are told, “Well, this is how things are done here.” And advancement to leadership position is based on the number of years you have in the public service as opposed to your innovative capabilities and your ability to transform an institution.

The effectiveness of policy is largely based on the quality of institutions, which brings me to procurement. The public procurement reform has been on the agenda for almost 20 years, and procurement processes continue to be something that lacks transparency.

We cannot just say that we are coming on board with the procurement board and fully proclaiming the legislation in 2020. We need to really push for this to happen, especially given the amount of infrastructure projects that we have planned for fiscal 2020.

12.00 noon

Under the current arrangements, I believe—according to section 20A of the Central Tenders Board Act, it is institutions, public bodies including Ministries, could very well bypass the Central Tenders Board and go ahead and conduct

procurement by themselves. But this poses challenges because the capacity of state enterprises or public bodies to conduct procurement processes is not known. I do not know if they have specific procedures that they approve, but are they publicly available? This provides a challenge for potential bidders who are not informed on the procedures that must be followed and they cannot present complaints. Are they able to present complaints if the procedures are not followed?

Now, another challenge is that when the Procurement Act is fully proclaimed, it will mean that these state enterprises would also lose their businesses. What is the financial position of these firms and do they have the financial resources to pay these contracts or does it add to their debt that is being covered by the Government, that is guaranteed by the Government? I also understand the establishment of procurement units in relative Ministries and agencies is well on the way. Through a quick scan of the *Draft Estimates of the Recurrent Expenditure* for 2020, I see that provisions are being made in most Ministries for a procurement unit.

So how many established and functioning procurement units we have? Have they received the necessary training? Have there been any challenges in staffing these procurement units? Because what I understand is that procurement certification and experience is a skill gap that exists in this country. Is it that we are finding it problematic to satisfy the pre-qualifying conditions for the full proclamation of the procurement legislation? Because the goalpost keeps moving and as this happens, standardized procurement processes may not very well be abided by and contribute to loopholes in awarding contracts for state projects, especially given the amount of capital projects coming out of the PSIP and the Infrastructural Development Fund, the IDF, in this fiscal year.

Government plans for major investments infrastructure in this fiscal year—I think it is almost three billion that is being allocated to the IDF. It is critical that quick advances are being made also to implement the Public Financial Management System. I know the Government has undertaken important back office modernization initiatives which includes the implementation of an IFMIS platform; an Integrated Financial Management Information System platform.

A quick look at the IDB's, Inter-American Development Bank's website, their procurement portal shows that the contract for the IFMIS system was actually awarded to a Canadian firm. How far are we from the full operationalization of this IFMIS system? A smoothly functioning public financial management system is critical as it can encourage a culture of planning, prioritization and evaluation of capital investments because of the higher degree of accountability that is required.

In encouraging results-based budgeting, an IFMIS system would allow for alignment of budget classification to policy priorities. It will mean, it will become easier for both citizens and Government officials to track the effectiveness of spending in attaining these development priorities. And as the need for a results-based management emerges through the implementation of this IFMIS system, the demand for data will increase and therefore, a culture of evidence-based, data-based, decision making needs to be cultivated. As a result, we need to continue to build capacity of the CSO and move quickly to the legislative changes that are required for the establishment of the National Statistical Institute.

Now, the last area that I want to touch on before I conclude, is with respect to energy transition and resilience. The world today is in the midst of three mega environmental crises right now. One is, human induced climate change; the second is massive destruction of biological diversity and the third is mega pollution. This is no news to anybody. Apart from overreliance on the energy sector for energy

revenues, we need to be reminded that the world is becoming more aware and taking drastic action when it comes to climate change. Being a world-class, heavily diversified downstream energy sector, having a world-class downstream energy sector and being a world-class producer of nitrogenous fertilizers, we need to have a backup plan. The demand for ammonia, urea and methanol may very well decline soon or made more expensive as countries moved towards introducing tariff structures in their home country to discourage the importation of these materials and that are used in the agricultural industry, as countries move towards mitigating the harmful effects of run-off that nitrogenous fertilizers have on the blue economy and ecology of our marine life.

With respect to the sustainable energy transition plan outlined in the fiscal package, it is a start—I mean, I commend the Government on their initiative to introduce energy efficiency in all government offices and the plan for the ban of Styrofoam and so on, but I also think more should be done to educate the public on the need for a sustainable energy transition. And as part of the plan I would have liked to see that there was some sort of transition measure to implement the strategy where a public energy conservation campaign is launched. Rather than just distribute these light bulbs, I “doh” know, we should be telling people why we need to be using LED light bulbs in the first place because a lot—a significant chunk of the population still does not understand the transition requirements and also the need for energy conservation. But with respect to the plans for sustainable cities and communities, this is the direction that we need to head to at this point, but it is quite over ambitious when you think about the flooding situation we are still grappling with.

According to the Sustainable Development Goals Report 2019, we are progressing to reduce particulate matter in urban areas, but this indicator also

requires satisfaction with public transport. Satisfaction with public transport does not necessarily correlate with buying more PTSC buses. It is more about addressing the key reasons why the utilization rate of the service has been so low. Is it because of safety? Is it because of lack of reliability of timely service?

Now, the last thing that I want to mention is with respect to transition to renewable energy. Now, I think that a target of 10 per cent renewable energy by 2021 was established by the Ministry of Public Utilities, or the Ministry of Energy and Energy Industries, and this target is for a waste to energy project and a utility scale renewable energy project. For this renewable energy pillar of this plan to be successful—

Mr. Vice-President: Senator, you have five more minutes.

Sen. A. Deonarine:—interministerial coordination is essential especially amongst the Ministry of Finance, the Ministry of Energy and Energy Industries and the Ministry of Public Utilities. A renewable energy transition starts with a 20-year plan or at least a 15-year plan. It cannot be ad hoc, and add some solar here and add some solar there, add some geothermal as well. The system architecture requires proper understanding and transfer of skill and knowledge.

Now, Mr. Vice-President, I wish if I had more time to go in more depth with the renewable energy transition, but at this point I would like to wrap up my contribution. Now, my contribution today basically looked at the overview of past fiscal periods. I looked at the reversal of recurrent expenditure. I talked a little bit about the stagnating economy. I spoke significantly about debt sustainability, external sustainability and also fiscal sustainability. I also mentioned the importance of institutions with specific focus on procurement, public financial management, the National Statistical Institute.

Now, since everyone ended with a fancy line, a fancy quote, my message

today—now I really did not plan for it, but my message today is, do not let the story of us as a unique people of this country be one driven by persuasion to spend more money, to spend more money that we do not have, on things that we do not need, to create impressions that may not necessarily last. With those few words, Mr. Vice-President, I thank you. [*Desk thumping*]

The Minister of National Security and Minister in the Office of the Prime Minister (Hon. Stuart Young): [*Desk thumping*] Thank you very much, Mr. Vice-President. Mr. Vice-President, it is indeed a pleasure to be allowed the opportunity to provide just a little bit of insight into what has been happening with respect to the Ministry of National Security over the past fiscal, and importantly to provide also, some idea and some indication as to the road map ahead of us at national security as much as I can in any event over the next fiscal.

I would like to start, Mr. Vice-President, by just indicating that one of the areas that national security contributes, and one of the areas that we should all in this House and the other place be able to contribute to, is that of legislation. Because ultimately as legislators that is a major part of our role, unless you are in a government position. So just to remind people that it was in November of last year that the Government after many, many decades of listening to people and listening to people complain about the scourge of something as simple as scratch bombs, we passed the Explosives (Prohibition Of Scratch Bombs) Order, 2018, on the 22nd of November, 2018.

We have also piloted and it is really been led by the Minister in the Office of the Attorney General and Legal Affairs working along with national security, the Private Security Industry Bill, 2019, which is currently before a Joint Select Committee of Parliament and making good progress with quite an extensive amount of consultation taking place.

Mr. Vice-President, three extremely important pieces of legislation that are making an impact immediately upon the area of crime in Trinidad and Tobago that were pushed from the Ministry of National Security, and I thank at this stage, my Government colleagues for supporting the move of national security, are the anti-gang legislation, the Firearms (Amdt.) Bill, 2019, and the Bail (Amdt.) Bill. [*Desk thumping*] And Mr. Vice-President, I would like to thank the Members of this Senate who supported the passage of that legislation. Because that legislation, despite all of the critics and the naysayers, has been effectively utilized by the Trinidad and Tobago Police Service and our intelligence services and they have made significant inroads into the gang activities taking place in Trinidad and Tobago. There have been and I put it on record here in the Senate a number of significant charges specifically under the anti-gang legislation. That anti-gang legislation recently has brought to bear on four persons, who it is alleged and now have been charged under the anti-gang legislation for being significant players in the criminal industry of Trinidad and Tobago and that is in addition to those who were charged previously.

I am told and I am happy to hear this, that today it was also laid in the Senate a further amendment to the Bail Bill. That amendment will be dealt with at the appropriate time, but I would like to put a marker down now, it is a significant and necessary tool, because the types of firearms that we are dealing with on the outside in the hands of the criminal element are very sophisticated firearms.

National security has also in the past year, Mr. Vice-President, significantly appointed leaders to the positions of the Commissioner of Police, that was done in the House of Representatives without the support of the Opposition; a Chief of Defence Staff, who is one of our youngest Chief of Defence Staff in many, many years; and also, recently, a permanent director of the Security Services Agency, our

intelligence services. The benefit that we already have been seeing over the past year of these three individuals is they all came from this same batch. Something that may seem as trivial as that, Mr. Vice President, was a strategic decision by the Government out of the Ministry of National Security, and again the country is reaping the benefits of those decisions.

Mr. Vice-President, I would also like to put on record that Trinidad and Tobago Police Service has received an increased allocation over the next fiscal. So when people bandy about the figure of \$6 billion to National Security, that includes over two and a half billion dollars to the Trinidad and Tobago Police Service. And in accordance with section 123A of the Constitution, the Commissioner of Police is the accounting officer; the Commissioner of Police for the Trinidad and Tobago Police Service is in charge of administrative and financial areas of the police service. That extra, almost \$400 million was again a strategic decision by the Government of Trinidad and Tobago to ensure that the Trinidad and Tobago Police Service are properly “asseted” and properly given the necessary fiscal support that they require as we tackle this scourge of crime over the next fiscal.

Also coming out of national security, we intend to bring regulations to deal with our intelligence services and also we are finally, I understand it is now out of the LRC and should be laid shortly, amendments to the dangerous drugs schedule to deal with this recent phenomenon that we are facing of ecstasy pills and “zesser” pills. Again, the Government is working to criminalize those areas.

What has also significantly happened in the past fiscal is the strengthening of our security relations with the energy sector. What we did, Mr. Vice-President, is we signed, on the 27th of November, 2018, as the Minister of National Security I signed a memorandum of understanding with major stakeholders in the energy

sector of Trinidad and Tobago, both upstream and downstream, to ensure that we have a specific plan to deal with the energy assets in Trinidad Tobago and to properly secure them and to make sure that we are all working on the same page, Government and private sector, as we bring to bear the state security apparatus to better secure the energy sector.

The Ministry of National Security also signed an interagency MOU to regulate fishing in August of 2019, and I will deal with the issue of fishing a little later on in my contribution. This was also signed along with officials from the Ministry of Agriculture, Land and Fisheries, Ministry of Works and Transport, Ministry of Trade and Industry and the THA, and I am sure that my colleague, the hon. Minister for Agriculture, Land and Fisheries will touch on that in his contribution, what it is we intend to do with the fishing folk in Trinidad and Tobago and the GPS registration of their vessels, et cetera.

We have also worked hard in properly securing and improving the security arrangements at the Piarco International Airport along with the TSA out of the United States and I am happy to tell Trinidad and Tobago, based on the work that was done along with the Ministry of Works and Transport, we staved off any threat of being downgraded by the TSA and Piarco now is a much safer and more secure institution and we will continue to work towards improving the security at Piarco.

I am also happy to announce and I would like to personally thank Sen. Rambharat for his assistance on this. In the past year—and to thank my Cabinet colleagues for their support in the past year for the first time a Government of Trinidad and Tobago has granted parcels of land and buildings to the Trinidad and Tobago Social Welfare Officers Association, the Trinidad and Tobago Prison Officers Association, the Trinidad and Tobago Fire Officers Association, so that they can for the first time build their own headquarters and wellness centres. So

we have looked after the police officers, our prison officers and our fire officers in that manner in the last fiscal year.

Mr. Vice-President, now to deal with some of the specifics with respect to the various divisions that fall under national security. Over the past year, a lot of time, energy and resources have been placed on working with our prison system. In fact, just this morning I was speaking with Mr. Ceron Richards. We have formed a very good relationship with and working with the Prison Officers Association as we understand their plight, we understand the dilemma, we understand the circumstances under which they work.

In the past year Cabinet approved and we have been implementing improvements to the Remand Yard at Golden Grove. Some of these improvements will include better ventilation, better toilet facilities in each of the cells, making the cells more in line with what you would expect in this type of environment in a 21st Century. I have also visited, personally, and walked the Remand at Golden Grove, Port of Spain, as well as what exists in Tobago—and I will come to Tobago in short while, and heard the plights of those who are held in the Remand as well as the prison officers and I give them the assurance that this Government is working feverishly to improve the conditions at the various Remand facilities.

We are also improving the CCTV camera systems, the alarm systems at Golden Grove are almost completed, the alarm system at the Maximum Security Prison is being upgraded after it was left unattended for too many years, as well as the CCTV camera system at Golden Grove as well as the Maximum Security. We are in the process of upgrading all of these and we will then feed the monitoring back to the National Operations Fusion Centre where there will be multiagency task force set up. So it will be all of national security looking on at what is going on there and providing the levels of support.

I am also happy to say that for the first time since the inception of the prison service in Trinidad and Tobago, they finally in this last year have their own colours and that means their own prison flag which is a very big step for the prison service. There have also been a number of rehabilitative programmes in the prisons, in the areas of debate, art, pushing the library, pushing for better library facilities, other programmes working along with, for example, Mr. Wayne Chance, and working towards providing those inmates in our prison service with hope that when they come back out they will be better reintegrated into society. And I use this opportunity, Mr. Vice-President, to make a plea to the population, to understand that when dealing with our prisoners and many of our inmates who are remorseful and would like a second chance, that we find a way as private sector and as citizens of Trinidad and Tobago to allow them to reintegrate into society.

I have also requested of the Office of the Attorney General and the Attorney General has assured me he is working on it and is close to completion, for the first time a probation service that will deal with persons in our prison system who qualify, that they can be let out on probation and monitored. The Electronic Monitoring System, I am happy to say we finally have all of the equipment in hand. We have set up the monitoring system. Right now the only thing we are waiting on is for the Judiciary to amend what needs to be amended on their side, because at the end of the day the Judiciary are the ones who would be ordering or sentencing who can use these electronic monitoring bracelets. We are ready to go.

We are also in the process of upgrading all of the fence at the various prison facilities, meaning, at Golden Grove, at the YTC, also I have asked for it to be done at the IDC for immigration. Unfortunately, these things have been left alone for too long. And I wonder that when we spent \$80 million, is the people of Trinidad and Tobago, on a fence, on a very sophisticated fence outside of the

Maximum Security, between 2010 and 2015, what really was the intent of it? I remember going there, seeing that all that is contained within this fenced area that cost the taxpayers of Trinidad and Tobago \$80 million, is grass. There is nothing else on the inside. Whereas we are trying to fix our Remand facilities, we have bought that cost down to within the \$60 million range. So if that money had been spent then when we had money on improving the Remand, we would be in a much further advanced place for our prison services in Trinidad and Tobago.

The Eastern Correctional Facility. Mr. Vice-President, this is a facility that irks me very much in particular. I believe it was sometime in 2011 this massive, massive acreage of warehousing facility was bought for over \$230 million in cash paid for this Eastern Correction Facility and then it was not utilized properly. In fact, the area being utilized there is less than I would say 10 per cent of the whole square footage and acreage size of the facility. What we did is we looked at it, we have now implemented a second IDC Facility there, but it is still massively underutilized. So one question and I ask the question as a taxpayer here, and as a citizen of Trinidad and Tobago, what really was the payment of \$230 million for warehousing facility done in the Ministry of National Security in or around the years 2011 to 2013? Why was that done? Why was it under-utilized? Why was that transaction completed?

We have also provided the prisons with 250 new firearms and we have started the procurement process for the second set of handguns. I would like to put on record, because I heard the most ridiculous propositions in another place in response to some of these initiatives. Yes, there are about 3,000 prison officers but they already had a number of firearms. And it is not every prison officer who will be provided. There is a policy in place with a proper threat assessment. The prison officers already had firearms and what we have done is we have now

provided an extra 250 and we have started the procurement for another 250, which is about to be completed. We provided 178 stab vests. The second procurement process was begun and is completed now for the provision of another 202 stab vests with the last set being received in October 2014.

Cabinet is currently taking a decision or contemplating the building of a special court right outside the Maximum Security Prison Facilities. The idea of this special court is that high-risk prisoners will be easily walked across from the prison facilities to the special courts so the shutting down of Port of Spain as we see happening too frequently on a weekly basis when a certain high-risk, someone determined to be a high-risk prisoner is being brought to Port of Spain will be a thing of the past.

Tobago. The correctional facility at Tobago is archaic. I have spoken about it before. On my tour of Tobago and the prison facilities at Tobago, it is highly, highly unsatisfactory. The Cabinet of Trinidad and Tobago is taking a decision for the construction of a new correctional facility in Tobago. That would have been done already, the decision taken, however, when the Note was first brought to me it was over \$250 million. I immediately rejected that as the Minister of National Security, because on this side we are very, very concerned about protecting taxpayers and their money and how money is spent. So you heard a short while ago a former administration paying \$230 million in cash for warehouses. This administration, for the construction of a state-of-the-art, new correctional facility in Tobago rejected the first price of 250; it came a second time for about \$150 million. Again, I rejected that and I have sent them back saying that we will not unnecessarily burden the taxpayers.

We have also taken a decision to complete an unfinished building that was being constructed in a previous time and was just left as a shell as a rehabilitation

centre for girls to have a female YTC facility. I am happy to tell the taxpayers of Trinidad and Tobago the cost of completing this building will be less than \$4 million as opposed to going out and trying to construct and waste money on a completely new facility. Our female and juvenile offenders unfortunately is becoming more prevalent. They are proving to be very demanding and very difficult at times, so a specific facility that will conform with the legislation is going to be constructed for girls, a female equivalent of YTC, utilizing the shell of a building that was left abandoned.

We have heard and I personally went and toured and saw the vehicles being used by the prison officers. They are not in a satisfactory condition. This is something that I went to my Cabinet colleagues about before we settled the budget. Extra money was provided for the provision of vehicles for prison officers. I have asked our Permanent Secretary to commence the procurement of these vehicles and I intend over the next fiscal year for us to do the procurement of vehicles for the prison officers that is long overdue.

12.30 p.m.

With respect to the Trinidad and Tobago Police Service, Mr. Vice-President, Cabinet recently approved a new structure for the Trinidad and Tobago Police Service that moves more with the times. We are focusing more on intelligence-driven operations. There are now a number of specialized units in the police service that we have put under one umbrella and head, for example the SAUTT. We also now have SIU and there are a number of other specialized units that we are utilizing in the police service whilst providing support across the various divisions.

You have heard—the population would have heard—in the last year the announcement of the reestablishment of the marine branch. Just in conversation

with the Commissioner of Police this morning, he assures me that within the next two months we will be able to see the physical launch of a new re-established marine branch that will assist in the coastal patrolling, and as well as inland with some flat bottom boats that can go up the tributaries. Work has been started on the Carenage Police Station. We opened the Shirvan Police Station, state-of-the-art, and I dare say, probably one of the best, if not the best, police station in the whole Caribbean region. We have almost finished the next state-of-the-art police station in Roxborough in Tobago East and I look forward to the opening of that, I am told, before the end of this year. We are currently constructing a new fire station. Again, I am happy—in Roxborough, I am happy to report that whilst the sod was turned a few months ago, work has proceeded apace and I expect that Roxborough Police Station to be opened and utilized in the next fiscal year.

Mr. Vice-President, another significant achievement for the people of Trinidad and Tobago was the refurbishment of the Trinidad and Tobago Police Patrol Bike Unit. You would have seen we recently took possession of 200 patrol bikes that I am happy to tell the people of Trinidad and Tobago we got free and gratis from the Government of Trinidad and Tobago. [*Desk thumping*] So that is a great example of how this Government operates in terms of seeking to get best value for money, and on this occasion, paying no money for 200 patrol bikes. And this Government is not about the granting of contracts—which is what I will come to in a short while—and who is given what contract; who buys a property for \$230 million and then does not worry to use the property, and these types of things. We seek where we can to get best value for money.

I take the opportunity, as well, to thank the United States Government at this stage for donating a significant amount of canine assets to our Trinidad and Tobago Police Service and our prison services. You saw some of them on display

at the recent Independence Day Parade. We thank the United States Government for that. This Government has rebuilt the bridges and the relationships with many of the foreign governments and we have been working hard to establish and get as much as we can [*Desk thumping*] for Trinidad and Tobago.

The ERP vehicles system is working. It is being utilized. We are trying to further upgrade it and further provide resources to have more lines available and a better connection between the civilian persons who answer the telephones and our police service so you can have a quicker response. If you look at the budget—this budget—you would see that the Government has taken a decision to provide the Trinidad and Tobago Police Service with \$70 million for vehicles. Now these vehicles will include some of the marine vessels, with \$70 million as well for them to upgrade their fleet of vehicles. We have also provided \$25 million for the purchase of specialized equipment for the Trinidad and Tobago Police Service. This equipment, once procured and implemented, is going to assist the Trinidad and Tobago Police Service in their fight against crime.

Minor Equipment Purchases: We have provided \$40 million and Other Minor Equipment, \$19 million. And I take the opportunity now to put to rest, Mr. Vice-President, a false narrative that is being pushed out there and being pumped out there, about the Commissioner of Police saying that he did not have sufficient financial resources. The record reflects that at the end of fiscal 2019 when the books were closed, the Trinidad and Tobago Police Service got over \$330 million for Goods and Services that was way above their allocation, and that was topped up, and further pushed upward in the mid-year review, and all of the funds that were allocated were provided to the Trinidad and Tobago Police Service. [*Desk thumping*]

The anti-gang work: Anti-gang work is proceeding apace in a multi-agency

task force operation. That multi-agency task force is working well. It includes our intelligence services, our prison services, our defence force, all supporting the Trinidad and Tobago Police Service. You would have seen recently, us, inspecting, not launching, the Strike Back Operation II. Again, it was buried. Unfortunately, the statistics coming out of that to date, the Strike Back II Operation, has led to the arrest of well over 170 criminals and the prosecution of many of them, and we are marrying that with the firearm amendments that were passed here in this Senate and in the House, and as well, the Bail amendment.

And at this stage, Mr. Vice-President, through you, I would like to tell all Members of the Senate, those two simple, what may have seemed to be simple amendments, are making a critically important advantage—of providing an important advantage—to our Trinidad and Tobago law enforcement. [*Desk thumping*] We utilized it recently—the anti-gang legislation—with some well-known gang leaders. We went for detention orders under the anti-gang legislation. The courts granted the detention orders. That allowed us to put all of the evidence to the criminals whilst they were still under a period of arrest. Subsequently, on the advice of the Director of Public Prosecutions, they were charged and now they are not out on bail. We had the most, in my view, Mr. Vice-President, the most ridiculous—one of the most ridiculous scenarios took place recently where we held someone with nine AR-15s. An AR-15 is a machine for war. It is a tool designed for warfare. It is a machine gun. We held someone in my constituency of Belmont with nine of them, and on his first occasion in court a magistrate granted bail.

What we are coming with, with the Bail amendment that has been laid here today as another provision, is to prevent those types of occasions, because we cannot be carrying out these types of exercises, tackling crime and then have them spilling back out onto the streets straightaway. We need a fighting chance and that

is what we would be asking for. The Strike Back Operations are working well. What we have also seen in the past year is a resurgence and an increase in the multi-agency operations between our defence force, the prisons, the police service and our intelligence services, and our operations being driven by intelligence and they are meeting with a lot more success now.

The Trinidad and Tobago Defence Force, I am happy to report that the CCC and MILAT Programmes, Cabinet took decisions to extend these programmes and, in fact, to extend the intake of these programmes. They are working very, very successfully. [*Desk thumping*] We did a tracer study to see that those who are in the programmes, how they are going on after they have left the programmes. The programmes are providing our defence force with some intake to the normal defence force, but also all of those, the vast majority of those interviewed, said that that made a huge, and a world of difference to their lives. Those programmes are—and I thank my Cabinet colleagues for assisting and supporting the decision to continue and increase these programmes.

Also, within the last couple months we opened the Army Learning Centre Training Building. This is a one of a kind in the Caricom region, and what it is, is really a learning facility for our Trinidad and Tobago army, for the regiment side of life, where now, instead of having to send our officers and those who want to progress their careers throughout the defence force, away on training, we are now able to offer it in our own state-of-the-art facilities which are housed at Teteron, and they are to be congratulated for that.

Camp La Romain: We are going to be spending a lot more time, emphasis and focus—\$10 million—on Camp La Romain during this fiscal to better the facilities there so we can launch specific operations from the southern part of Trinidad and Tobago.

Mr. Vice-President, our coastal radar system: Despite all of the suggestions out there that the coastal radar system is not working, that is completely false. The coastal radar system is working, and I would like to take this opportunity, because I feel very proud as a Trinidadian. Recently I had a meeting with the Israeli providers of this coastal radar system and the gentleman who has actually been there from inception when this system was put in place in and about 2005, said that the officers, the men and women who maintain our coastal radar system, not only in Trinidad but also up at some of the OECS islands where we also have a couple of radar systems, they said they are the best in the world that utilize this system. And to hear that our Trinidadian men and women in the coast guard, who have been trained and who are maintaining this system, to be declared to be amongst the best in the world, that was something that I felt very proud about, as a Trinidadian.

[Desk thumping]

We have taken the decision to upgrade the system. And, you know, it is an unfortunate attribute but a necessary one of national security, that unfortunately, you cannot get into the particulars and you cannot speak about exactly what the upgrades are; how they would affect things. But I can guarantee to the people of Trinidad and Tobago that these upgrades are going to make another world of difference as they take us much further into the type of technology that is available. And I am happy to say, Mr. Vice-President, once again in this instance, we saved tens of millions of US dollars in how we went about procuring the upgrades. *[Desk thumping]* Because, you see, we did not just let any and every body come in and push a system down our throat, as may have happened before.

Also, what I am happy to update on is, again, another area of savings. A proposal had been brought and has been approved for new interceptors—three new interceptors for the Trinidad and Tobago Coast Guard at an approximate cost of TT

\$60 million. So that was to be approximately \$20 million for an interceptor. When that was brought to me as Minister of National Security, I refused it. I asked for a report on the existing interceptors. It came back to me that there were 14 that with some work and some new engines, could be brought back into use. That is going to cost the taxpayers \$7 million as opposed to \$60 million for three interceptors, another massive area of savings coming out of the Ministry of National Security. I am assured that the engines for those interceptors which we ran into some difficulty in being able to procure, will arrive during the course of this week, or early next week, and then we will be able to add 10 more of those interceptors in a phased roll-out basis over the next month and a half.

The Air Guard has been utilizing the two fixed-wing aircraft, two C-26 aircraft over the past year. We are in the process of getting drones. I am looking forward to being able to make that announcement in the not-too-distant future, and the savings, once again, to the people of Trinidad and Tobago. Over the next fiscal I hope to be able to introduce, once my Cabinet colleagues support it, an Air Unit that will be run by the Air Guard. Because before what you had was the NOC which, at the time, fell under the Office of the Prime Minister, purchasing helicopters, one of which never made it to Trinidad and Tobago even though we were paying over US \$200,000 a month. It was always in a hangar in Delaware.

The next one that made it to Trinidad and Tobago, within a few months of landing here, was unable to be utilized. So you had the NOC having those and some other small rotary wing assets. You then had the Air Guard having four AW aircraft, AgustaWestland 139 aircraft that were originally for the OPVs and much too big, much too expensive. Those were grounded. I am hoping to go to my colleagues very shortly with a new proposal for the utilization of those aircraft on commercial terms with National Helicopter Services and us, to get some specific

helicopters that will be put under the Air Guard, but used in an Air Unit for both the TTDF, the Trinidad and Tobago Police Service, as well as our intelligence services, so, again, ensuring best value for money for Trinidad and Tobago. I would like to also thank the Trinidad and Tobago Defence Force, and in particular some of our specialized units, for assisting the Trinidad and Tobago Police Service in some of the border protection that has been going on, on land within the past year.

The Forensic Centre: Mr. Vice-President, I have great pleasure to say that for the first time in decades we have filled all four permanent posts of forensic pathologist at the Forensic Science Centre. [*Desk thumping*] Of course, the forensic pathologists are the individuals who deal with autopsies, and we are not stopping there. We continue to work with the UNDP and we expect to get two volunteer forensic pathologists within this fiscal, which will take the full complement beyond the four on the establishment, to six, and hopefully ensure that any difficulties with the performance of autopsies are a thing of the past. And that has finally happened after decades. What we have also done in the Forensic Science Centre is, we are in the process of hiring 10 specific specialized professionals to bolster the work being done there, including in the ballistics area. I want to put on record that we have been receiving the support of the Trinidad and Tobago Police Service Armorers as well as the SERU unit in performing the necessary ballistic tests, but we are looking to supplement and increase our capabilities in that area.

Immigration: Mr. Vice-President, over the past year our immigration officers have performed admirably. I would like to thank them for their service and, in particular, they took on the task of the Venezuelan registration system. It was driven specifically by immigration. We registered 16,523 persons claiming to be Venezuelans during that period of time. We always said that after that registration

process there would have—

Mr. Vice-President: Minister, you have five more minutes.

Hon. S. Young: Thank you very much. There would have to be a verification and a due diligence exercise that is in the process of taking place, but 10,000 people have passed. We have issued 8,000 cards and I am happy to say that whilst Cabinet had approved a cost of \$5 million, our expenditure by the 30th of September, 2019, was only \$4.3 million for that whole process. Over the next year, we will be getting rid of immigration forms and we will also be moving to a biometric system.

Allow me now at this stage, as I have my last five minutes, to address the spurious allegations and falsehoods that continue to be proffered by Sen. Wade Mark with respect to the Austal Cape-Class vessels. The first thing is, these Austal Cape-Class vessels were procured directly from the Australian Government. You would recall that when we announced we were procuring these vessels, those on the other side, the Opposition, wrote to the Australian Attorney General to try and topple the whole deal. Of course, that was rejected. The vessels are being financed by the Australian EFIC. They are the ones who are doing the financing. This claim that there were vessels purchased in 2015 from the Australian Government at a much cheaper cost, it depends on what you put into the vessels. The cost of the vessels have, of course, increased as steel and aluminium and all other methods of technology have since moved away. And I would like to read very briefly. First of all, each vessel is costing US \$41 million. That US \$41 million is specific for the type of equipment and technology that we want to put on board. This is what Austal has had to say specifically about the continued allegations by those on the other side. Directly from Austal, Australia.

The report is not accurate as the comparison is not apples for apples. There are substantial differences which have been factored. Here are the detailed

factors as per your request:

CCBP 9 and 10, the contract was in 2017.

Those are the Australian vessels.

Therefore, changes in material cost and labour escalation, followed on, on eight boat orders on an existing production line.

So, of course, it depends on, there are already boats in-stream and being built; that would reduce the cost. Trinidad and Tobago coastguards new contract with associated start-up cost, there have been changes to specifications. For example, our radio system, they use Motorola, we use the Harris system in Trinidad and Tobago. Those are some of the changes that pushed the cost up.

General arrangement unique to the Trinidad and Tobago Coast Guard drive; considerable redesign cost; changes to equipment list; revised Gen. sets; changes to equipment list on the tactical communications; changes to make the model and numbers of the boats—now six boats.

And we have also entered into a maintenance and a spares programme that is part of that whole cost. The compressed timeframe—because we have asked for these vessels to be built and delivered by next year, 2020. All of these things have a cost item. So, therefore, I reject completely and out of hand what has been suggested repeatedly by Sen. Mark.

I will just like to end by this. There has been a lot of crying out in the population about fishermen. I have been very careful as the Minister of National Security when I call people fishermen. There have been a certain amount of kidnappings that have taken place, and I will end by saying this. I am fairly certain that, certainly on this side and the Independent side, there is no one that would be able to raise even US \$5,000 in cash from a bank if they walked into a bank now. I leave this question for the people of Trinidad and Tobago: How could a fisherman

raise US \$20,000 in cash overnight to pay a ransom? Furthermore, when these vessels were intercepted going out to fish, there was not a single hook, line, sinker in any of the vessels, nor any fish. I am very cautious about what I say and I guarantee those in this Senate, as well as outside, with a lot of my recent utterances, including on a political platform last week Friday, I have the evidence to substantiate everything I have said.

We will continue to do the work that we are doing at National Security. We will continue to go after the criminals in National Security without fear or favour and we will do so to the best of our ability. I give the assurance, Mr. Vice-President. [*Desk thumping*]

Mr. Vice-President: Sen. Seepersad. [*Desk thumping*]

Sen. Charrise Seepersad: Thank you, Mr. Vice-President, for the opportunity to contribute to the debate on the Appropriation (Financial Year 2020) Bill, 2019. Mr. Vice-President, I am certain that we are all concerned about the well-being of all our citizens: the fortunate, the not-so-fortunate, the disadvantaged and down-trodden. The Finance Minister, therefore, would have endeavoured to present a package that, although not satisfying to all, is at least satisfying to the majority. Having listened to hours of debate and read volumes praising and condemning the Appropriation Bill, 2019, I ask: How will the quality of life for all improve, specifically the quality of life that depends on the goods and services which you are expecting from the public utilities and public service departments?

In the current global reality, governments need to address complex issues such as climate change, slowing economic growth and increased destabilizing risks such as Brexit. The unifying theme is that technology is driving an increased rate of change and the world is becoming more complicated and polarized. Many countries, both internationally and regionally, will have a brighter future if they

can adapt to the demands of their citizens and consumers. However, for those countries who have not been able to respond appropriately, large sections of their population will be left behind. Trinidad and Tobago will be impacted by these external shocks and whilst there is still income from oil and gas, and diversification issues which are critical to the country's future are debated, we need to understand that technology is the future.

The largest world economies, for example, China, are rapidly adopting robotics, artificial intelligence and other digitally-enabling technologies so that goods and services can be provided cheaper and faster. The primary focus of any administration is to consistently improve the quality of life for everyone in Trinidad and Tobago. To do this, we need to transform Trinidad and Tobago, with our finite energy resources, inefficient and outdated systems and inadequately trained personnel. The entire country needs to buy into this goal of transformation. We need to aggressively set out programmes to train, retrain and up-skill our citizens so that they have the relevant skills for the future world. Information is transmitted instantaneously across the world and Trinidad and Tobago's citizens will continue to demand better services, better government and greater transparency. We have seen the strength of social media in influencing the world stage, of climate change, politics and governments.

Economic Review: Trinidad and Tobago is a small open economy which depends mainly on exports from the energy sector to earn foreign exchange, to purchase food, medicines and other necessities of life which we do not, or cannot produce. The energy sector, oil, gas and petrochemicals, account for 85 per cent of the country's foreign exchange earnings and exports. This is the highest level of export concentration since 2011. The Government's revenue depends on taxes from all sectors of the economy, especially the energy industry over which it has

limited or no control. Therefore, the Government's role in the economy is reactive, modified only by its ability to save, spend, counter-cyclically borrow and in the long term transform the economy.

Government's income has been less than expenditure for the past 10 years. This is partly a result of the dramatic fall in energy prices starting in 2014. Even though expenditure has decreased by an average of \$10 billion since 2015 and it is commendable that the Government has sought to control expenditure, nevertheless budget deficits have continued. Further, the recent tax amnesty netted \$2.38 billion in additional revenue. These deficits have been financed by borrowing. Gross public debt is \$119.81 billion as at July 2019, and gross public debt, including contingent liabilities to GDP is 75.3 per cent or \$92,000 in public sector debt, per person.

Trinidad and Tobago's sovereign investor rating is one level above junk status, according to Standard & Poor's and Moody's has rated us a junk status. However it is reported that Fitch Ratings has a better view of this benchmark. However, this information is not available publicly, so further analysis is not possible.

Mr. Vice-President, if Trinidad and Tobago does not balance the revenue/expenditure ratio, we will lose our ability to negotiate favourable terms for our borrowing and the investor rating will continue to decline. While these ratings have not yet restricted Trinidad and Tobago's ability to borrow, it does increase the financing cost. This means that there are less funds available to finance much-needed development and diversification efforts. When there are both monetary and fiscal policy imbalances, a tipping point will eventually be reached which will require significant adjustment in interest rates and/or exchange rates to return to equilibrium. Both measures will cost significant financial trauma for both the

macro and micro economic environments.

To strengthen the Trinidad and Tobago economy, we must implement policies that support economic diversification, facilitate the development of the non-energy sector, eliminate deficit spending, eliminate corruption, improve general safety, implement modern international benchmarking standards for measurable and sustainable quality of life in health, water, environment, crime, electricity, and so on. Recommendations:

1. Development of a plan to reduce the fiscal deficit and rising debt. A situation analysis of external threats and opportunities and internal strengths and weaknesses while necessary, must include a long-term strategic development plan complete with deliverables and a timeline. This plan should include the implementation of legislative fiscal rules, such as, debt rules, limit on the level of public debt as a percentage of GDP, budget balance rules, target for overall budget surplus or deficit.
2. Competitiveness and ease-of-doing-business: Reforms must be implemented to significantly improve Trinidad and Tobago's competitiveness, which includes ease-of-doing-business that would allow the private sector to invest and lead to economic growth and job creation so that there will be a reasonable level of local business activity, import substitution and exports. Trinidad and Tobago is ranked 79th out of 144 countries in the 2019 Global Competitiveness Index Report and 125th out of the 190 countries in the 2019 World Bank Ease-Of-Doing-Business Report. To establish a more efficient business environment, public institutions must be overhauled. We need more proactive and predictable systems and policies. Anyone who needs a permit for planning approval from the Town and Country

Department, a WASA clearance certificate, a T&TEC clearance certificate and work permits, knows that navigating through the processes are tedious, time-consuming, debilitating and discouraging. The system works, but to what end?

3. A plan to reduce the size of Government and reliance on transfers and subsidies. This includes the divestment of State assets in a transparent and competitive way and public/private partnerships for major capital projects.
4. A plan to address the over-valued dollar. Currently, we have an over-valued currency that subsidizes imports and penalizes exports, resulting in the erosion of the country's competitiveness and foreign exchange reserves.

1.00 p.m.

5. Diversification strategy: To move Trinidad and Tobago away from an unsupportable dependence on hydrocarbons, and to promote other economic activity such as alternative and renewable energy, and the digital economy.

Diversifying of the economy: Mr. Vice-President, diversification of the economy is crucial to our medium- and long-term economic survival and growth. The primary reasons for the lack of economic diversification are: the energy sector when buoyant has always been there to provide the financial cushion which has moulded the local investment sector that favours the non-tradable sector, that is, agents and distributors for foreign goods and services; the lack of understanding that to become globally competitive, entrepreneurs must create a differentiated product or service including the ability to be disruptive on the world's stage; the lack of institutions that provide the knowledge, ideas, innovations, finance market

development and marketing.

There have been some attempts at economic diversification by several Governments. Their initiatives included: building industrial parks to attract foreign investment, negative listing to encourage the private sector to undertake import substitution with the long objective of producing goods for exports; building Point Lisas to offer the private sector local commodities to support downstream industry. Some areas of diversification include:

1. The digital economy: The impact of the global digital economy is a serious threat to Trinidad and Tobago's economic activity. Amazon, Netflix, Google, Twitter, Facebook, for example, are taking away medium market share from businesses while having no local economic footprint. They drain foreign exchange without significant cost. They simply create digital platforms and provide connectivity among consumers and accrue wealth to the platform owners. This activity has provided platform owners with massive amounts of personal data on consumers, and with data mining, produce profiles for marketers. These digital platforms are designed to exploit world consumers via the Internet.

In Trinidad and Tobago, economic activity is about consumption and not about local wealth creation. The Government should be concerned about how to get some of this wealth generating activity from the digital economy by creating a global value chain which includes building platforms, devising a system to get taxes from these platforms locally, modernizing an amendment of the legislative framework as it pertains to e-commerce.

2. Renewable energy: Mr. Vice-President, switching to renewable

energy generation in the medium to long-term will reduce Trinidad and Tobago's reliance on imported fuel and demand for US dollars. Fuel imports in 2018 was US 1.76 billion or 21 per cent greater than the total amount of non-energy exports for the year. The economics of renewables are such that it is impossible for oil and natural gas to compete with it in the medium to long-term. The oil industry is facing a severe threat to its business model from the renewable energy in tandem with the electric vehicles revolution.

Within a few years, electric vehicles will be superior to gasoline powered cars. Electric motors are more efficient than gasoline engines. Also, the prices of solar and wind power and battery prices are falling significantly, and it is projected to continue to decline in the coming years. It is projected that the only way gasoline cars can compete with renewable energy powered vehicles by 2024 is if the price of oil were to drop to US \$11 or US \$12 per barrel. The total life cycle cost of owning an electric vehicle will be cheaper than that of owning a gasoline fuelled car. Already on our streets we have a growing number of hybrid automobiles. Other environmental benefits include public health benefits of not breathing polluted air, not having huge oil spills, and not destroying a liveable planet.

3. Carbon dioxide and enhanced oil recovery: Trinidad and Tobago's long-term goals for energy generation, carbon dioxide and energy usage should at least be carbon neutral. Therefore, we need to emit less carbon dioxide. We can significantly increase oil production and reduce our enormous carbon footprint by using the carbon dioxide being vented for enhanced oil recovery and thereby eliminating major

carbon dioxide emissions.

4. Alternative energy usage: Trinidad and Tobago ratified the Paris Agreement on climate change on February 22, 2018. Therefore, businesses must be actively encouraged to engage in green practices.

Incentive for the use of green delivery vehicles: Mr. Vice-President, to reduce—*[Interruption]*

Mr. Vice-President: Senator—*[Interruption]*

Sen. C. Seepersad: Oh, sorry.

Mr. Vice-President:—might I just ask or enquire as to how long you have again? I am trying to gauge as to whether—go ahead.

Sen. C. Seepersad: When I timed it, it was 38 minutes. I do not know how many minutes are done.

Mr. Vice-President: Okay, so hon. Members, at this point in time we will break for lunch and we will return at 2.06 p.m.

1.06 p.m.: *Sitting suspended.*

2.06 p.m.: *Sitting resumed.*

Mr. Vice-President: Sen. Seepersad.

Sen. C. Seepersad: Thank you, Mr. Vice-President.

Incentives for the use of green delivery vehicles: Mr. Vice-President, to reduce Trinidad and Tobago's carbon footprint, the Government has promoted the use of CNG and hybrid light motor vehicles, however, incentives can also be extended to promoting the use of fuel efficient, commercial, and delivery vehicles. The upfront costs are a barrier to companies acquiring these fuel efficient vehicles. Consideration should be given to providing an allowance or incentives so that this becomes a viable option for businesses. In fact, the Government can lead the way by getting rid of all the energy consuming SUVs used by the various Ministries,

Government and state agencies, and replacing them with green vehicles.

Climate change: Trinidad and Tobago is not immune from effects of climate catastrophes, extreme heat, drought and floods. The Government's state, public and private sector companies need to include climate change, adaptation, and mitigation strategies in their budget.

Energy efficiency and conservation: Low cost electricity accounts for the high rate of electricity consumption in Trinidad and Tobago. According to a 2017 study by the Energy Chamber of Trinidad and Tobago, 43 per cent of the 400,000 households in Trinidad and Tobago waste electricity because of the State's electrical subsidy. Our electricity consumption is three times the world average.

Plastic pollution: In a report published by *Forbes Magazine* on September 19, 2019, Trinidad and Tobago has been named as the largest producer of plastic waste per capita; 3.6 kilograms of plastic waste per capita per day, the largest in the world, and almost six times more than Kuwait which is a distant second place. Mr. Vice-President, plastic pollution has worsened in recent times, and at the centre of the crisis is the inadequate waste management. We saw this plainly in the recent floods on September 23, 2019. This was a flood of rubbish. There are also massive patches of plastic building in the seas around Trinidad and Tobago. This pollution translates into costs including cost to the Government and citizens as a result of flooding, lost productive man-hours, increased insurance costs, and so on.

Giving LED bulbs to households and the removal of all duties and taxes on energy bulbs and appliances to support the transition to LED lighting and the increase of the solar water heating equipment tax credit from 25 per cent to 100 per cent from January 2020, are small steps in the right direction. However, there should be giant leaps, and at the present time, there are no significant incentives to motivate people to become more energy efficient or to shift to renewable energy

sources.

Some recommendations are:

1. Review the electricity subsidy: This will result in a reduction in the funds required from the Government. People will be incentivized to become more conscious of how they consume electricity and to find efficient alternatives.
2. Feeding Tariff legislation should be enacted so that businesses and households that generate electricity through solar energy systems can sell their excess power back to the power grid.
3. Remove duties and taxes on all renewable energy equipment such as TV panels, wind, wave, and steam turbines.
4. Ban the importation of incandescent and fluorescent light bulbs. Fluorescent lightbulbs contain harmful mercury.
5. Waters conservation: The law should be changed to allow households and companies to collect and use rainwater so that water for all may be a reality, and the WASA distribution and storage facilities can be less stressed.

Mr. Vice-President, energy environmental pollution. It is now time to immediately ban non-biodegradable, non-compostable containers, and single-use plastic containers such as straws, packing material, bags and bottles. Care must be taken to ensure that the substitutes are not hazardous. The beverage container legislation must be enacted and recycling implemented on a national scale. This legislation has been languishing in draft form for many years and there has been no political will to move this forward into law. However, our citizens must take responsibility for their unchecked and rampant dumping of garbage along roadways, in neighbourhoods, and into rivers and seas. This cannot continue. It

signifies that our society is prepared to tolerate and encourage such behaviour by the failure to take measures to ameliorate this derogation of our environment.

We should not be in a position that in 2019 there are reports about the unacceptable and dangerous levels of sewage being discharged into the seas, the very seas that our population seek to enjoy for recreational purposes. The Government must give serious consideration to implementing a plastic tax on all companies that continue to use plastic products. The funds from this tax can be used to fund recycling plants. River courses and water ways should have strategically placed traps to collect all debris such as disposable containers, and litter wardens must be resurrected.

Agriculture: The allocation for agriculture is 700 million in 2020, down from 1.2 billion in 2015/2016. If we are to substantially reduce the country's reliance on foreign food imports, increased employment, improve the health and nutrition of citizens, boost the productive capacity and opportunities of agriculture, the Government must give agriculture the necessary attention, focus, resources, and legislative protection including substantially strengthening praedial larceny laws. Removing all taxes and duties on inputs and resources for registered farmers and making agricultural tax free industry is a good policy initiative. However, how much tax do farmers pay, and will this stimulate the production of food crops and other agricultural outputs to levels required to reduce our dependence on foreign imports.

Entrepreneurs: Mr. Vice-President, entrepreneurs generally struggle to obtain financing through the traditional financial channels. There is a need for capital investment in start-ups, and small- and medium-sized enterprises who have the potential to significantly contribute to economic growth.

Venture capital investments: Grant incentives to individual and businesses

that invest in start-up companies. These investments are riskier and there is a need to incentivize financiers. Venture capital investment driven entrepreneurship has the potential to positively impact economic growth and employment.

SME stock exchange: There is only one company listed on the SME tier of the Trinidad and Tobago Stock Exchange, however, in Jamaica there are 43 companies listed on their SME exchange. Trinidad and Tobago should explore the model used by Jamaica and other SME exchanges. The benefit to companies listing include access to capital, heightened company profile, credibility of the SME, and an exit platform for private equity investors.

Income tax on pensions: Retirees on fixed income pension should not pay income tax. They have worked most of their life and paid income taxes. Paying taxes erodes their already small pensions.

Repairs and maintenance: There must be an annual allocation for continuous repairs and maintenance for all infrastructure projects such as those stated in the 2020 budget such as highways, port in Toco to open the north east of Trinidad, Curepe interchange, La Brea dry dock facilities, and other past projects. Without planned preventative maintenance strategies by the various Ministries involved in infrastructure, our best works will deteriorate, decay and become useless. [*Desk thumping*]

Restoration works of the various heritage buildings run into the billions of dollars. The Chaguaramas Boardwalk is one example of a wonderful project badly in need of repairs and maintenance. Our roads generally require paving and upkeep. The cost resulting from damaged vehicles and possible accidents from poorly maintained roads is unknown. In time the cost to the country due to the lack of proper preventative maintenance planning must be mitigated by continuous repair and maintenance programmes.

Minimum wage increase: Increasing the minimum hourly wage by 16.7 per cent from \$15 to 17½ dollars will have a positive socio-economic impact for the 13 per cent of persons at the lowest income level, however, there must be a concomitant increase in productivity. Also, the Government must be cognizant that this will open the way for teachers, public servants, police, and others to lobby for similar increases. The *Draft Estimates of Expenditure* do not show that such increases are planned. Note also, that trade unions will start their negotiations with similar percentage increases. Labour cost and the overall cost of doing business will increase. Increased costs are invariably passed on to the consumer.

Pension for daily-paid public servants: The payment of a minimum pension of \$3,500 is a welcomed initiative, however, the monthly pension payment will be dependent on the contribution made by these persons. This means that their take home salaries will be less than what they previously received.

Credit unions: The measures announced in the budget to modernize the credit union and co-operative society sector is most welcomed if these organizations are to survive. The sector represents about 4 per cent of the financial sector, and its market shares has shrunk by 300 per cent over the past 10 years. I hope that the amendments to the Co-operative Societies Act to increase the current limit of \$5,000 imposed on the transfer of shares, or interest payable to a nominated beneficiary upon the death of a member to \$50,000 is done in a timely manner, as is the appointment of the new independent authority to govern the sector.

Three million dollar 1.5 per cent bonds for VAT refunds owed to businesses: The Government currently owes businesses \$5 billion in VAT refunds. While the initiative to deal with VAT refund is welcome, it is not adequate. The bonds which are tradable and transferable have a coupon rate of 1½ per cent.

Under the law if the Government does not pay the company the VAT refund within six months, the interest is accrued at 1 per cent per month. This means that 80 per cent of the VAT refund due will be actually be paid. The small- and medium-sized businesses will be most affected since larger businesses can withstand a longer waiting period. These businesses which are “complied” entities are being penalized.

Mr. Vice-President, in fact, these businesses are in part funding Government operations. The Government needs to review the interest rate on the VAT bonds since they are offering 4½ per cent on public bonds. Also, why are companies not allowed to net off VAT refunds against VAT payments due?

Public sector corruption: Since Independence in 1962, corruption in Trinidad and Tobago has grown like a cancer throughout our society. The poor and vulnerable suffer most from corruption which impedes investment and economic growth. Corruption eats away at society and undermines institutions. Real and perceived corruption is on the rise in Trinidad and Tobago. According to the Global Corruption Barometer 10th Edition, the statistics from Trinidad and Tobago indicate that: 17 per cent of citizens said they paid a bribe to receive a public service; 19 per cent experienced sexual extortion; 6 per cent were offered bribes in exchange for votes; 62 per cent of persons polled believed the corruption increased in the past 12 months.

For the health and wealth of the country, measures must be taken to eliminate corruption. This requires the establishment of independent, investigative, and prosecutorial agencies that have world class investigators and prosecutors with the necessary forensic skills, competencies and facilities. The department must focus on areas such as public corruption, money laundering, corporate fraud, securities fraud, bank fraud and embezzlement, fraud against the

Government, election law violation, and health care fraud. To succeed in the war against corruption our laws must be modernized, for example, implement stronger political integrity. The lack of political party financing and registration allow party financiers to get kickbacks and state contracts.

Mr. Vice-President: Senator, you have five more minutes.

Sen. C. Seepersad: Thank you. Implement the procurement legislation and adequately resource the Office of the Procurement Regulator: The current environment allows state contracts to be awarded to friends and party financiers.

Fiscal responsibility legislation and public financial management legislation: The absence of this legislation allows the Government to spend public funds without the relevant transparency and accountability, allowing for misallocation of funding including election spending.

E-government and digitalization of all government services: This will improve public services and reduce the opportunity for bribery. Data collected can help identify suspicious patterns, fraud, and non-compliance in revenue collection and payments which will reduce leakages. Additional measures include recognize and address specific gender forms of corruption, recognize sexual extortion as a form of corruption, and take measures to reduce the culture of shaming and victim blaming that discourages women from reporting abuses

Implement the 2018 LIMA commitment, “Democratic Governance against Corruption”: Empower individual, civil society and the media to report corruption.

Mr. Vice-President, in conclusion my main concern is to what extent these short-term fiscal measures will make any significant difference to the quality of life for all our citizens. It pains me to know that the flow of substantial amounts of revenue through our economy over the past several years has brought us to the point where we are now forced to live beyond our means. We continue to

mortgage the livelihood of future generations. Promises are aplenty, but a reliable water supply still eludes most of us. The same can be said for education, health care, electricity, drainage and the public service. Can we dare to dream of a safe, clean and prosperous Trinidad and Tobago that is free from the scourge of violent criminal activity and the underground economy of drugs and human trafficking?

Thank you, Mr. Vice-President. [*Desk thumping*]

2.25 p.m.

The Minister of Labour and Small Enterprise Development (Sen. The Hon. Jennifer Baptiste-Primus): Thank you very much, Mr. Vice-President. I am indeed pleased to contribute to this debate on the Appropriation Bill 2019, for fiscal year 2020. Mr. Vice-President, before I continue I would want express my congratulations to the hon. Minister of Finance for his excellent delivery of a well thought out, in depth, comprehensive, meticulously crafted budget presentation to the people of Trinidad and Tobago. [*Desk thumping*] I also would like especially commend the very hard-working public—[*Crosstalk*] Be quiet.

Mr. Vice-President, I would also like to commend the very hard-working public officers who assisted the hon. Minister of Finance in crafting this budget. And he was supported by the hon. Minister of Planning and Development and her team of public officers. Minister Imbert, Mr. Vice-President, has demonstrated that the right mix of fiscal, economic, social and labour policies can realize what I refer to as the SSSG factor. That is stability, strength, satisfaction and growth.

Mr. Vice-President, I would take the opportunity to share with this honourable House and give this honourable House an update on matters under my portfolio. So let us look at the current labour market context. I will admit that we have seen some difficult times in this country. However, we have overcome many of the challenges and we will continue to succeed. These obstacles, Mr. Vice-

President—I would want to emphasize—are not unique to Trinidad and Tobago. Throughout the world and particularly the Caribbean region, people have been “feeling the pinch”. Mr. Vice-President, according to the International Labour Organization, *2018 Labour Overview of Latin America and the Caribbean*, the unemployment rate has only modestly improved from 8.1 per cent to 7.8 per cent between 2017 and 2018. In fact, 2018 was the first time in four years that the unemployment rate in the region declined. We are expecting this trend of reduced unemployment to continue and, Mr. Vice-President, I refer those on the other side—they can go and view the *2018 Labour Overview of Latin America and the Caribbean*.

Mr. Vice-President, the ILO in its *World Employment and Social Outlook-Trends 2019* report, estimated that more than 170 million people worldwide were unemployed in 2018, leading to a global unemployment rate of 5.0 per cent. The report also forecasted that the global unemployment rate is expected to remain essentially unchanged over the next few years, in line with projections pointing to stable global, economic growth.

Mr. Vice-President, Trinidad and Tobago’s part of the global economy has unquestionably been impacted by challenging, economic conditions over the last few years. This is evident from the rise in the overall unemployment rate for Trinidad and Tobago, over the last three years. When we look at the quarterly data from the Central Statistical Office, Mr. Vice-President, we can see that although the unemployment rate increased from 3.5 per cent in the fourth quarter of 2015, to 3.6 per cent in 2016 and then 4.4 per cent in the fourth quarter of 2017, the unemployment rate is still relatively low. Mr. Vice-President, through sound budgetary controls, prudent investment and fiscal responsibility—Mr. Vice-President, I will sit so you can advise those on the other side.

Mr. Vice-President: Yes, Members, as the Minister is making her contribution, just temper the noise that seems to be elevating just a slight bit in the Chamber. Continue Minister.

Sen. The Hon. J. Baptiste-Primus: Thank you kindly, Mr. Vice-President. Mr. Vice-President, through these sound budgetary controls, we are overcoming the obstacles and achieving success and although this is our fifth budget presentation, I say with confidence, Mr. Vice-President, that this Government will be presenting our sixth budget come 2020. [*Desk thumping*]

Mr. Vice-President, I think back to my first budget debate in this august House, that was in fact my inaugural address, and I remember clearly many of the plans that I shared and what the Ministry of Labour and Small Enterprise Development would seek to do during my tenure. I am heartened, Mr. Vice-President, when I reflect on how much we have been able to achieve, so that we have not only talked the talk, but we have walked the walk.

Mr. Vice-President, this year, the Ministry of Labour and Small Enterprise Development has been on the ground reaching out to people throughout this great nation. This has allowed me to hear the voices of the people, people who have put their shoulders to the proverbial wheel trying to earn a living of productive members of this society. And that is why, Mr. Vice-President, after careful analysis we have chosen to increase the minimum wage from \$15 to \$17.50. [*Desk thumping*] And Mr. Vice-President, I would want to seize the opportunity to point out to those on the other side and to reassure the members of this society, that this Government did not pluck 17.50 out of a hat. Under the Industrial Relations Act, of 1972, as amended, there is a mechanism that is called the Minimum Wages Board, whose responsibility it is to advise the Minister of Labour and Small Enterprise Development on fixing of wages to different classes of workers and that

committee, which if you permitting me Mr. Vice-President, that committee is chaired by Ms. Judith Sobion. Other members of that committee: Ms. Sangeeta Boondoo, our senior legal officer at the Ministry; Mr. Hayden Manzano, Acting Director Economic Research and Policy Coordination; Mr. Brian Rooplal; Ms. Cindy Joseph; Mr. Ozzie Warrick of JTUM; Mr. Douglas Williams, and Ms. Namala Lall.

That committee made a recommendation to increase the minimum wage earlier this year. I took that report by way of a Cabinet note, on June 10th to Cabinet, submitting the recommendations and the recommendations of the Minimum Wages Board was to increase minimum wage from \$15 to \$18.25. But Mr. Vice-President, the Minister of Finance and his team of economists, after crunching the numbers, they identified that the economy could only have taken an increase of 17.50. So it was through analysis, it was not a figure plucked out of mid-air. I also want to point out, Mr. Vice-President, that when we look at the Caricom region, the minimum wage is \$15.87. This minimum—Caribbean—yeah Caricom. This minimum wage increase that this Government has given the workers of this country, seeks to provide a decent wage that balances both the needs of employees and employers, as we continue to promote decent work and protect those most vulnerable in our society.

Mr. Vice-President, we have also increased the wages of CEPEP and URP workers and contractors, persons who receive some of the lowest wages in the country. We have increased it by 15 per cent. I would like to assure my colleague on the Independent bench, Sen. Seepersad, I would want to allay her fears, when she pointed out that unions would use this increase as a barometer. Unions cannot use this increase, because these are workers at the base level, the lowest levels in society and therefore unions will have to look for another factor to use in putting

forward their case for an increase in salaries.

These measures, Mr. Vice-President, highlight this administration's continued commitment to ensuring that citizens achieve a decent living wage to support themselves and their families. Mr. Vice-President, similarly there is a cadre of workers in this country who when they retire, they do not receive a pension, they receive a lump sum payment and therefore this Government took a decision that we would grant them a pension. I sat here and listened to my colleague Sen. Wade Mark ranting and raving, hysterically at times, but what he failed to point out was that his Government, his party sat in Government for five years-plus and despite all the lobbying that the daily-paid union took, they never listened to them and gave them a pension. This Government has set the records correct. [*Desk thumping*]

I want to point out also, Mr. Vice-President, that I am aware that the National Union of Government and Federated Workers, popularly known as NUGFW, would have lobbied for years for this pension, starting with the former President General, Selwyn John, also Robert Giuseppi and after Robert Giuseppi, we have Comrade Lambert James. Lobbying—James Lambert, yeah thanks—for this pension. It took this Government, Mr. Vice-President, to listen to the cries of that union and to agree to introduce a contributory pension. The issues that Sen. Wade Mark, raised those administrative procedures that I am quite sure a meeting between the Chief Personnel Officer and the NUGFW, they will work out the details of this pension. And I can give this House the assurance that not only the union but the workers whom that union represents, they are extremely happy with this proposal in the budget. Mr. Vice-President, these new measures not only bring greater income stability to low wage earners, but also empowers them to plan better for themselves, their children and their family.

Mr. Vice-President, I turn now to labour legislation reform. My colleague Wade Mark had a lot of questions to ask but he is not here. So I hope that Sen. Haynes or Sen. Ameen would convey to him the response.

Sen. Ameen: He is listening.

Sen. The Hon. J. Baptiste-Primus: He should be in the Chamber. Mr. Vice-President—“he like yuh leader, always missing in action”. [*Laughter*] Mr. Vice-President—[*Interruption*] Mr. Vice-President—

Mr. Vice-President: Sen. Hosein, it is okay. I think you are well aware of the fact that shouting across the floor to the Minister is not allowed.

Sen. S. Hosein: Nah, nah, nah.

Mr. Vice-President: Not “nah nah nah nah”. I am telling you it is not allowed. Understand?

Sen. S. Hosein: I understand.

Mr. Vice-President: Thank you. Minister continue.

Sen. The Hon. J. Baptiste-Primus: Thank you, Mr. Vice-President, [*Crosstalk*] you see—

Mr. Vice-Chairman: Minister, sit. I just—I just said— Continue Minister.

Sen. The Hon. J. Baptiste-Primus: Mr. Vice-President, I will claim injury time. But you see, Mr. Vice-President, they like to give but they cannot take. Sit quietly and take it. Mr. Vice-President, I want to reiterate, the commitment of this Government to the creation of decent work opportunities. One of the most critical ways in which the Ministry of Labour and Small Enterprise Development seeks to achieve this is through the development and reform of labour legislation.

Mr. Vice-President, in 2015 I declared that a comprehensive review of all labour legislation in Trinidad and Tobago would take place and so said so done. But I want to emphasize that the labour legislative reform is as a result of a signed

memorandum of agreement between the Joint Trade Union Movement and the People's National Movement that was signed in 2015 and we are keeping faith. So that, Mr. Vice-President, since then Team MOLSED, as we popularly call ourselves across at the Ministry—because I have a great team that I work with under the leadership of our Permanent Secretary, Ms. Natalie Willis and I am very, very pleased with the work of this team. We have embarked on a journey and conducted no less than 30 consultations and I have a list of them, Mr. Vice-President.

I will just cite a few, because if I cite all I would run out of time.

We looked the Co-operative Societies Act—consultations were held on them—the Industrial Relations Act, Retrenchment and Severance Benefits Act, contract labour, Friendly Societies Act, Cipriani College of Labour and Cooperative Studies Act, the Foreign Labour Contracts Act, Workmen's Compensation Act, the Trade Unions Act.

We looked at the issue of sexual harassment, occupational safety and health, recruiting of workers, private security legislation, the Employment Exchange Act, the employment standard consultation of basic work.

2.40 p.m.

So that, Mr. Vice-President, we, having led that consultative process, we would have developed several draft policy position papers that were placed before the Cabinet, and they are proposals for the amendments of the Industrial Relations Act, for the Retrenchment and Severance Benefits Act, we are at the Workmen's Compensation Act. We are in the process of finalizing the policy paper on Occupational Safety and Health Act, as well as the proposed amendment to the Cipriani—and I will say Cipriani Labour College for short, a Bill that would form—that has been formulated and will be laid in Parliament. The Friendly

Societies Act which is before the Law Revision Commission, and the employment standard legislation, which is before the Industrial Relations Advisory Committee, another mechanism under the Industrial Relations Act.

Mr. Vice-President, in this new fiscal the Ministry intends to continue its work and focus on the following: The review on the amendment of the Minimum Wages Act; review an amendment of the Maternity Protection Act; development of legislation to govern HIV/AIDS in the workplace; and development of legislation with respect to sexual harassment. We did lay the policy in Parliament, Mr. Vice-President, on March the 8th, International Women's Day, and the legislation is being crafted.

Mr. Vice-President, these policy position papers that are before Cabinet, are well on their way to becoming law. But you see, Mr. Vice-President, everything takes time, the process takes time as it should. Because these laws will affect the lives of each and every one of us, and should really never be taken lightly. And that is why, Mr. Vice-President, we will continue to consult, we will continue to seek the comments and inputs because the law must be inclusive and unbiased. And for that, Mr. Vice-President, I make absolutely no apologies.

In fact, when I came into office in 2015, the Ministry's stakeholders were up in arms and that is, Mr. Vice-President, not only the trade union movement but also the entire co-operative sector were up in arms because they lamented the fact that the previous administration had laid legislation on the amendment of the Industrial Relations Act, and the Co-operative Societies Act in Parliament without any consultation with them. It was the first time in the history of this country that the cooperative sector mounted a massive demonstration right outside on the pavement, to force the former administration to withdraw that amendment to the legislation.

So that, Mr. Vice-President, clearly, this administration has not made the same mistake, as we have a very different mindset where we hold firm to the principles of democratic governance and participatory decision-making. Mr. Vice-President, in addition to the multitude of consultation, a promise made in 2015 was quickly realized early in our term of office. And I speak to the National Tripartite Advisory Council, another mechanism my colleague Sen. Wade Mark raised. And that mechanism—that council was established and its members were appointed on March 15, 2016. Its role is to provide sound and informed multi-sectoral advice to the Government, on a range of issues including maintaining industrial peace and harmony, overseeing the imperatives of *Vision 2030*, and creating additional job opportunities.

Mr. Vice-President, in so far as our efforts at multipartite stakeholder relationships are concerned, it is no secret that in spite of our early turbulence in getting off the ground, the work being undertaken by NTAC must be publicly recognized. In this regard, I would like to specially express the Government's deep appreciation of the very significant inputs which that council has contributed in shaping the policy framework which will form the nucleus legislation for amendments to the Retrenchment and Severance Benefits Act, Chap. 88:13, and the Industrial Relations Act, Chap. 88:01, both of which we expect will be laid in Parliament by the end of this year.

So then, Mr. Vice-President, in similar vein, I have ensured that the various tripartite boards and committees under the purview of the Ministry of Labour and Small Enterprise Development, which are in place and actively fulfilling their mandates, are populated with representatives from the three labour bodies, JTUM, Joint Trade Union Movement; NATUC and FITUN, and also populated with representatives from the business sector. That is, the ECA, the Employers

Consultative Association, and also the Trinidad and Tobago Manufacturers Association, and the joint Chambers. Because all the Chambers came together jointly and they normally nominate one representatives to sit on these bodies.

So then, Mr. Vice-President, no one can accuse this Minister of Labour of not carrying out my mandate. And therefore, by the ending of this year, we will see the changes, the amendments to the various pieces of legislation because the consultative process takes time.

Mr. Vice-President, I turn now to the National Workplace Policy on Sexual Harassment in Trinidad and Tobago. Mr. Vice-President, this matter is close to my heart, and the Ministry also is of the view that all forms of sexual harassment whether in employment, education or training, should be declared unlawful. The policy we have developed is designed to prevent, prohibit, and address sexual harassment at all levels in the workplace, and promote ethical workplace practices. The National Workplace Policy on Sexual Harassment for Trinidad and Tobago was approved by Cabinet on March 07, 2019, and laid in Parliament on March 08, 2019. At the end of July 2019, Cabinet also approved the implementation plan for this policy, which includes a public awareness campaign.

The next step, Mr. Vice-President, is the development of legislation on sexual harassment in the workplace. It is the firm commitment of the Government to promote an environment in the workplace where each individual is safe, respected, and their human rights are preserved. The Ministry of Labour and Small Enterprise Development, we are determined to establish that sexual harassment in the workplace is not normal, and those predators who perpetrate such actions will not be exempt from consequences.

Mr. Vice-President, I turn to the On-the-Job Training Programme, popularly called the OJT Programme. I want to speak firstly on the Ministry's effort to

increase the employability of young citizens in this country. Mr. Vice-President, the On-the-Job Training Programme was established in this country in the year 2002, under our former Prime Minister, Patrick Augustus Mervyn Manning. It is a two-year training programme targeted for our young people between the ages of 16 to 35 years, a period of 24 months. And these young persons are afforded the opportunity to gain experience and induction into the world of work, and a foothold in the labour market, through quality and structured work-based training.

Mr. Vice-President, this programme also provides an opportunity for public and private sector organizations to become training providers that mould and shape the young minds for the world of work. And that is very important, Mr. Vice-President, because you see, when I became the Minister of Labour and Small Enterprise Development, I found a situation where hundreds of OJTs were brought into the system by the former administration, and just placed willy-nilly out there with absolutely little work to do. So what kind of work ethic are we passing on to the young people who are the future leaders of this country? So that we restructured the programme, Mr. Vice-President, so wherever the areas of training and discipline, we placed those trainees. We placed engineers, we placed doctors, we placed attorneys at law, we placed a lot of professionals, Mr. Vice-President, in areas where they can obtain the relevant training and experience.

Mr. Vice-President, while the OJTP is a training programme, the Government understands that persons are engaged on a full-time basis for a period of two years because the philosophy that guides this programme speaks to the fact that the employer who brings on board a trainee, and that employer is reimbursed 60 per cent of the cost, at the end of that 24 months, that employer must be so impressed by the performance of that trainee, that that employer will employ that trainee into the organization, and then the trainee would exit from the OJT

programme into sustainable employment.

With this in mind, this administration, Mr. Vice-President, has provided not a 10 per cent increase; since we are in office we have provided a 20 per cent increase in the stipend of trainees, because in 2016, the Minister of Finance implemented a 10 per cent increase, and now in 2019, another 10 per cent increase bringing it to a total of a 20 per cent increase. And these increases attempt to compensate persons for their effort and qualifications. Do you know what that means, Mr. Vice-President? It means that more persons will be attracted to the programme, and it also means that trainees will not need to forego income for training, and will instead be able to support themselves and contribute to their households while on this programme.

In addition, Mr. Vice-President, as at September 2019, a total of 5,603 active trainees are on this programme. As stated by the hon. Minister of Finance, we will now be working to achieve a target of 8,000. So that, Mr. Vice-President, we will be placing—almost 3,000 young persons will be coming onto the programme.
[Desk thumping]

To this end, Mr. Vice-President, the On-the-Job Training Programme Director has commenced an intensive outreach campaign with both public and private sector employers, in order to increase the number of training providers in the programme, and by extension the number of available placements. And I want seize the opportunity, Mr. Vice-President, to urge all those employers out there, whether from the private sector, from the state sector, to come on board because we need providers in order to place these additional trainees.

In fact, Mr. Vice-President, in order to raise awareness of the programme, the staff of the OJTP has participated in career fairs throughout various communities that were hosted by churches, secondary schools, tertiary level

institutions, and local government bodies. Mr. Vice-President, it is this type of collaborative effort that the Ministry of Labour and Small Enterprise Development believes in, and we believe that many hearts, many voices creates one vision.

Mr. Vice-President, I turn my attention now to small business development. On the topic of employment promotion, as you know, applying for jobs and working for someone else is not the only way that we can make a living in society. I have said it before, and I will say it again, in order to provide sustainable employment opportunities, this administration has focused on developing the type of environment which encourages the creation of business units, and in turn, leads to the creation of employment opportunities for others.

2.55 p.m.

This Government is committed to boosting small business development on seven critical platforms, including: institutional strengthening, enhanced legislation, more in-depth small business training, expanded and customized funding facilities and the establishment of new business clusters. This was made evident by the Minister of Finance with his announcement of the US \$10 million loan initiative for on-lending to small and medium enterprises which I wholeheartedly support and I am sure my colleague, the Minister of Trade and Industry, will have a lot more to say on that.

This initiative will enable these enterprises to more readily access finance of business development expansion and start-up. The Ministry of Labour and Small Enterprise Development, through the National Entrepreneurship Development Company Limited, popularly known as NEDCO, which is the implementation arm of Government's policy on micro and small enterprises is also working to this effect. In fact, one of NEDCO's new programmes for this fiscal year is a business accelerator programme which will focus on assisting budding entrepreneurs by

access to institutional advisors, a community of associate organizations and fellow entrepreneurs in starting up for success.

Mr. Vice-President, NEDCO has already given hope to many of our citizens regardless of race, age, gender or ethnicity. I do not know how many people have ever visited NEDCO's Facebook page, and I invite you, Mr. Vice-President, and other Members in this hallowed Chamber and by extension, the nation, to visit NEDCO's Facebook page, but I will tell you now that it has a wealth of information. There are updates on NEDCO services, training programmes, business advice, and so much more. It was on their Facebook page that I saw posts in commemoration of International Women's Day that highlighted the stories of women who have received assistance from NEDCO. One woman described her inability to get financing from a traditional bank because of her lack of collateral. Now, her restaurant is booming. Yet, another client shared the independence of owning her own salon, and Mr. Vice-President, she indicated that she went to NEDCO with nothing more than her talent and her business idea. After the training, advice and financial assistance she received from NEDCO, she is now a proud business owner. It is stories like these that remind us of why we do what we do [*Desk thumping*] and we reconfirm that our labour is not in vain.

Mr. Vice President: Minister, you have five more minutes.

Sen. The Hon. J. Baptiste-Primus: I wish to take this opportunity to expressly thank the Chairman of the board, Mr. Clary Benn, who is the former Executive Director of the Unit Trust and a recent awardee of a national reward.

Mr. Vice-President, with regard to the Occupational Safety and Health Agency, they are committed to the health of all workers in this country and they are in the process of signing off on the updating of the regulations. They also have four draft policy papers related to the proposed regulations. Mr. Vice-President,

those of us at the OSH Agency have been very busy. They have undertaken stakeholder engagements, conducting 12 sensitization sessions over a particular period. They have also embarked on a public compliance programme in Government Ministries.

Mr. Vice-President, with regard to Cipriani College of Labour and Co-Operatives Studies, the board continues to work at leading this institution into being one of the leading tertiary institutions in this country. The college offers full-time and part-time programmes and we have much to expect under the new leadership of Dr. Hyacinth Guy.

Mr. Vice-President, there is so much more that I have to speak about. The co-operative development and strengthening the programme, what is planned for the co-operative sector. I want to take the opportunity to issue to the members of staff that during this process of transformation, no one will lose their jobs. It is that there will be need for the cooperative division to continue to exist because we do have non-financial cooperatives and therefore, we will embark on institutional strengthening of that division.

Mr. Vice-President, as I close, there is so much that I have to say: the HIV/AIDS policy, labour migration policy, and so much more but I do not have the luxury of time. As I close, I wish to reiterate that this Government has a plan and a vision that would result in sustainable development and economic growth and great success. It is my desire, Mr. Vice-President, that we continue to work together for the good of this nation and for the good of our people. I will end with a quote by American Industrialist Henry Ford who said and I quote:

“Coming together is beginning, staying together is progress, and working together is success.”

Mr. Vice-President, if we care about this country, we will join hands in order to

continue building and developing this great nation that we call Trinidad and Tobago. I thank you. [*Desk thumping*]

Mr. Vice President: Sen. Drayton.

Sen. Josh Drayton: Mr. Vice-President, thank you for this opportunity to contribute on the debate on the Appropriation Bill, 2019. Mr. Vice-President, Government has the major role to play in the development of our society. In fact, if we were to reflect on the origins of what we know today as the modern State, we find the rationale given for the establishment of the civil State and Government was founded on the principles of justice, private ownership and what Plato has described as “The Good Life”. In order to achieve the good life, our aspirations and our thoughts are pointed to what we perceive to be necessary ingredients to living or fulfilling our good life. Why is this important to us today? Mr. Vice-President, it is important to us as it points directly to the heart of Government’s responsibility in creating a facilitative environment for us, yes, for all of us, to live our best lives. Mr. Vice-President, that role is the most essential role and should be taken seriously by any Government.

The budget, both as a policy document and a road map as to how Government proposes to address the current problems faced by us and the primitive aspirations of citizens should be developed through an iterative process as well as a deliberative one. What this means is that the final document that is produced at the first reading is the output of months of engagement with the various publics, industry and civil society. Government, therefore, is the coach of the developmental process, thereby ensuring that various players in our society follow the rules of fair play. However, in small island developing states such as ours, Government must also lead on specific developmental projects. Therefore, the role of Government is twofold: coach and captain and it is a difficult tight rope

to walk. On the one hand, Government is faced with the role of distilling the various views and aspirations of society, while on the other, it must intervene in the best interest of society showing leadership. Development is about connecting the dots.

Mr. Vice-President, my contribution comprises three parts. Firstly, recognizing the positive efforts of the Government to address the developmental needs and demands, secondly, a critic of the budgetary process and third, suggesting some alternatives to policy proposals. As mentioned earlier, Government has several constraints. Amidst those constraints, it has been able to propose positive policy alternatives. I wish to highlight some of the positives within this budget and I would just list them.

Creating a sustainable environment: Lightbulbs and the entire structure related to those. It is important that we seek to create a culture of environmental conservation and the conservation of energy, and in this context, this initiative seeks to do that. But as my colleague, Sen. Deonarine said earlier this morning, this has to fit within a larger and broader framework of environmental sustainability.

Mr. Vice-President, the other area is the minimum wage which the hon. Minister recently spoke about as well as pointed out by Sen. Seepersad. While this is a welcome effort to ameliorating the plight of those who are minimum waged, I think that we should also recognize that a greater reflection and rationalization of our workforce is important and I am going to talk a bit more about as we talk about the connection between employment or unemployment and tertiary level education. Mr. Vice-President, in addition to those, we have the creative and cultural industries, the incentives towards the sustainability and building of such an industry and the tax allowance being moved from 3 million to 6 million. This is

important in facilitating an environment for creative and cultural industries and I know it will be welcomed by several persons involved. In fact, there are couple artists in the room who would welcome that initiative.

Mr. Vice-President, the ban on Styrofoam and plastics. Some time ago, I recall a study being conducted by the Economic and Advisory Council on the impact of Styrofoam, not only on our environment but also on our health and I welcome this initiative. I know it has been long in coming. But what is also important is transitioning members of industry from the production and use of Styrofoam and into more sustainable products. There are other measures that I agree with and find as positive incentives such as in agriculture, however I wish to address them separately in my critique.

I now move to the budgetary process. Mr. Vice-President, the process is as important as the outcome. Therefore, I wish to share my views on our budgetary process captured in the Open Budget Index, the OBI, which some of you may be aware of. Just to give you some information regarding the Open Budget Index, it is, in fact and I quote and this information is publicly available from on website:

“The Open Budget Index is the world’s only independent, comparative measure of central government budgetary transparency. The Index assigns countries covered by the Open Budget Survey a transparency...”—on a—
“score...”—of zero to—“100...using a subset of questions that assess the amount and...”—timelines of budgetary—“information that governments may make publicly available...” as aligned with international practices.”

In 2017, our score related to budget transparency was 33 out of 100. In terms of public participation, we had a single digit score, seven out of 100 and this points directly to what has happened in this entire process to get to where we are today. In terms of budgetary oversight, a score of 44 out of 100. So let us go a bit deeper

into what this index means for us in terms of our budgetary process.

In terms of budget transparency, Trinidad and Tobago provides the public with minimal budgetary information. Now what this means, Mr. Vice-President, is that other than listening to what happens at the first reading in the House of Representatives, citizens are in the dark about budgetary proposals. In fact, I received a package this morning. Just to illustrate— [*Member shows package*] And that is the budget package. I am not too sure how many of us had the wonderful opportunity of going through those couple hundred pages. [*Crosstalk*] Thousands in some instances. But that demonstrates something. We should not wait until this point to have to go through those documents. In fact, in some jurisdictions, we are able to do a draft budget debate before getting to this stage and this is usually months before.

So what I would welcome is if to ensure a more robust system of accountability and perhaps a more participatory process, that we consider engaging with our publics, just beyond this House, and even before we get to this stage of the budget being sent up to the Senate, that we have the wonderful opportunity of a couple months of reviewing these documents. I know that would be a challenge for the Ministry of Planning and Development and the Ministry of Finance but it is important that if we were to provide sufficient public oversight, that we have the ability to do so but we also have the time.

May I also add at this juncture that while I understand that Members of the Government as well as Members of the Opposition may have technical support, Members of the Independent Bench typically do not have any additional technical support in reviewing these documents, and therefore, it may be prudent in the future that the Independent Bench be provided at least with a research assistant of sorts that could support each Member as they go through this process as well as

others. [*Desk thumping and crosstalk*]

Sen. Mark: Sen. Drayton, we need help.

Sen. J. Drayton: Well, Mr. Vice-President, perhaps it is something that should be facilitated for all Senators.

Hon. Senators: Yes. [*Desk thumping*]

Sen. J. Drayton: But it is important, especially as the Minister of Labour referred to expanding the OJT programme. There are several students that may be graduates of the university who may be able to offer support to the Parliament through the OJT Programme.

Hon. Senator: Absolutely.

Sen. J. Drayton: So I think that such an initiative may be useful.

I want to just touch on public participation as another key area of the Open Budget Index and the score is seven out of 100 and that is significant not in a good way. Mr. Vice-President, Trinidad and Tobago provides few opportunities for the public to engage in the budgetary process. You have heard time and time again members of civil society speaking about gender-based budgeting. We have heard about participatory budgeting processes and this process does not have to be a process that is seen to be very extensive and time consuming. There are ways in which members of the public could engage virtually in town hall meetings, et cetera. And I think it is important that we explore avenues to facilitate civil society participation and deepen that engagement in the pre-budget process and in the development of this budget.

I know the Minister of Labour mentioned consultations that were had. The challenge with consultations, however, is that quite often you get views and there is a loop that is not closed and that loop is the feedback loop or the validation process. Once members are consulted, that data that is generated from consultation

should be reproduced and allow those members who have consulted to validate that process. So in this instance, what I am suggesting is that that loop be closed and again, that can be done through online platforms and those kinds of things. This is beyond the reform of the Ministry of Labour and the proposed laws but specifically to the budgetary process.

So moving on, Mr. Vice-President, in terms of budgetary oversight, Trinidad received the score of 44 out of 100 and this is specific to the audit functions and the oversight that is provided. This is important to the function of a good Parliament because legislative oversight is extremely important to the Executive, and one of the key things that is mentioned here as a recommendation is that we ensure that the Legislature holds a debate on budget policy prior to the tabling of the Executive budget which is what is suggested earlier on and this can then filter into the final budgetary document. I think this process that we have perhaps inherited or we continue to persist is untenable. This process has to be for \$40-plus billion, several Ministries, thousands of pages and two to three weeks. We have to rethink this process if we want to do better, Mr. Vice-President.

So, what are some alternatives? And this is my third section and final in my contribution. Beyond the budgetary process, we can look at several positives. I mentioned agriculture being one of them. Coming from a farming household, I welcome that initiative from the Minister of Agriculture, removing all taxes on inputs, but a question was raised about inputs by Sen. Seepersad and taxation related to that and I want to go a bit further than Sen. Seepersad's contribution because we do recognize that the agriculture sector is also highly unregulated specifically as we address things like pesticides and other kinds of fertilisers and chemicals used.

And I would like to say, Minister of Agriculture, since you are here, greater

regulation of that environment and greater enforcement of food standards because way too often, we hear of complaints. From time to time, I am in the farmers' market and you talk to different farmers and while they may be a bit more conscious of the chemicals that they put in, you hear other horror stories. You hear horror stories related to certain kinds of fuels being used in "shadow beni" fields to kill all of the grass and that kind of stuff. So I think that food safety standards need to be enforced because on the one hand, yes, we want farmers to produce good food and food at a price that is good for consumers, but we also have to ensure that this food is healthy. It is not sufficient to go a farmers' market and buy food that is, you know, laced with chemicals and dipped in solutions that are not good for us. So I would welcome, in addition to no tax, greater enforcement of food safety standards.

In terms of housing, while I welcome the various initiatives in this year's budget for low-cost housing and the provision of housing opportunities for citizens, I also want to point out the same issue which is regulation. The housing industry is also an equally highly unregulated as it relates to both price and standard. And as a young professional, I remember some time ago, I was in the Senate and Sen. Haynes raised this issue related to housing and I concur, simply because in our age group, as young professionals, it is very difficult to purchase a home, and it is beyond me and—[*Interruption*] Sen. Sobers is chiming in, Mr. Vice-President. But this is important for us because our parents, when they were our age, owned homes. So what is the gap today? The gap is, in fact, the unregulated industry. So the average Trinidadian may earn \$10,000 to \$15,000—and that is a lot—per month, how can they afford \$1.5 million with an instalment of over 9,000 a month?

Hon. Senator: Fishing. Fishing.

Sen. J. Drayton: I am not very familiar with the maritime industry. [*Laughter and desk thumping*] But I would say that some of us who may not be into that industry would prefer to have access to financing from credible financial institutions and as a result, given the salary, it is not going to happen.

And it is unbelievable, Mr. Vice-President, that if you were to go on to, let us say—and I am citing randomly a real estate agency, Terra, they operate in different Caribbean countries. If you were to click on Barbados, given my heritage, and you were to go on to properties, you can get a property 10 to 15 minutes away, one lot of land, 5,000 square feet, for BBD \$120,000. So we are speaking about roughly over TT \$300,000, an exchange rate of one to three. So if that is the case, why is it, Mr. Vice-President, we have several properties in Trinidad and Tobago—in fact, Tobago is not bad.

Hon. Senator: It is worse.

Sen. J. Drayton: Well, in some instances, when you compare the prices. You have prices in Trinidad with no approvals, no access road for \$300,000—and this is very cheap—in the most rural of communities. This is artificial and we have to figure out a way, and I understand what the Government is doing by creating opportunities for low-cost housing, but I think that the root cause may in fact be a highly unregulated real estate environment and that has to be looked into. [*Desk thumping*] So, in addition to that, we have heard quite often, the quality of homes that are constructed and this connects to things such as natural disasters. So, Mr. Vice-President, it is incumbent on the Government to address the issue of housing from both the regulation of the sector because that is the role of Government and also from the perspective of enforcing standards.

Mr. Vice-President, I move on to employment and higher education. Initially, I was going to tell a story but I think the story is so typical that—

[*Interruption*] Somebody said go ahead so I will be brief. So there is this young lady, let us call her Sita. I prefer not to use the Minister's name. [*Laughter*] She is 25 years old. [*Crosstalk and laughter*] At one point in time, Madam Minister, you were 25 so that is fine. So Sita is 25 years old, a graduate of, let us say, UWI, since that is quite typical. Graduate of UWI, participated in an OJT programme for two years. So finished her Bachelor's in Social Sciences, went into the OJT Programme because the job market is really tough. From there, she spent two years, during that time, she did her Master's. At this point, she is ineligible for re-entry because she has done her two-year stint. She volunteers from time to time in various non-profits which may give her a stipend but she is unable to get a job. She has a passion for teaching but we do know the high bureaucracy as it relates to the Teaching Service Commission and selection of teachers. That is one story.

3.25 p.m.

Let us look at a story of someone in Tobago. Let us call him Kevin, also 25 years old, graduate, but this time he did his degrees at Cave Hill Campus, still using UWI. No opportunities in Tobago at that point in time for him to utilize his degree. He is presently underemployed. He has both a master's and a bachelor's. After spending around eight months being unemployed, he got a job because he was obviously happy, but he also has a student loan to pay because that master's was 50 per cent off. He had other costs because he lived in Barbados. His skills are not being utilized. Those are two real people that I know in my circle. There are others. In fact, the joke on the town sometimes is that they are all broke. This is a problem and we have to recognize that it is a big problem.

So, I heard entrepreneurship being used. Mr. Vice-President, the reason why this is a problem, it did not start today, it started several years ago. It started several years ago when a decision was taken to expand access to higher education,

which I support. I am a beneficiary of that. However, today we need to be able to conduct a workforce needs assessment, to determine what are the skills that are necessary for tomorrow, the next three years, the next 15 years. Unless that is done, we are going to continue to have this issue of underemployment. We are going to continue to have this issue of unemployment among graduates.

Let me just give you some insight so that we get some rough figures, because I do not think it has been hammered home to us. A three-year bachelor's degree in let us say, Social Sciences, is between \$45,000 and \$60,000 and that is at the lower end, that is for the three-year period. OJT for two years, if you are looking at undergraduates, roughly, without the increase, the 10 per cent increase, is \$65,000. So, within five years, the Government spends roughly \$210,000 to \$225,000 on one person. We are not speaking about other kinds of contribution that the Government would make to the local campuses, et cetera, and there are other degrees that may have labs, et cetera, that the Government facilitates.

There has been some research connected to why it is important to have graduates. Guys like Hosein and Franklin in the Department of Economics, they wrote a very interesting paper regarding graduate tax. But I want to simplify that to recognize that if the Government is prepared to spend \$210,000 to \$225,000 to \$300,000 and thereafter may end up with Kevin or Sita, it is just not sustainable. And therefore something else has to be done. Because it is hoped that after the OJT programme, individuals like Kevin, Sita, are able to transition into higher paying jobs that may pay them more than the taxable allowance of \$72,000 a year. So, within a three-year period, the Government may in fact be able to recover some of these taxes and that might be in direct tax or income tax, through VAT, or they may decide to go into entrepreneurship. Yeah. So I agree that that is also an option, but in the mass of students that is not the option and that could be based on

their orientation in the first instance, that could be based on the lack of support at that level.

I am going to—I am tempted to talk a bit more on the entrepreneurship and the very simple steps to be taken on that. So I am going to address that because it was not a part of my core speech. So that, we really have to think carefully about we do this workforce assessment to determine the needs and match those needs with GATE. If persons are willing to pay a hundred per cent for doing a degree that is not connected to the developmental needs, we already have a developmental list from MPA, sorry, it is now at the Ministry of Education, scholarships moved over, then fine. So let us talk about entrepreneurship in a very simplistic way. There are students who received a bachelor's in agriculture. Should it not be automatic almost, that if you study agriculture for three years, that you should be given a farmer's licence and probably end up on a priority list for state land for farming? This is not a rhetorical question, and perhaps the Minister of Agriculture, Land and Fisheries could respond to it; very simple. Remember I said earlier on that development is about connecting dots. So that, we need to have those dots connected.

There are several Government Ministries with training rooms, with meeting rooms. There are community centres with meeting rooms. Would it not be interesting—I am using interesting because it has a bit more latitude for interpretation. Would it not be more interesting if those potential entrepreneurs could have a mailbox or meeting rooms at community centres to conduct their business and that could be scheduled? You see, sometimes the very basic things that we need in order to do the job, they are not even provided. So that it is not about money. It is about also using the existing resources to connect the dots, to bring a sense of dignity to persons who want to conduct business, who do not have

a desk or a chair to sit with a client. Yes, there is Rituals, and yes, there is Starbucks, and yes, there is the mall, but if you go there every day you will see people who are regulars. So that is also taken up. So let us be real about this. Let us address these issues moving forward. So, Mr. Vice-President, that is my whole thing on GATE, specifically on employment and tertiary level education.

Oddly enough, I thought about addressing it, and then Sen. Seepersad brought it up again and it was reinforced by Sen. Dillon-Remy when she supported it, and that is the income tax on pensions for persons who are retired and they served. I am wondering whether persons could receive, those persons could receive, a tax credit if they were to spend two to three hours a week at a community centre providing basic homework services. Part of it is thinking outside of the box. We have a resource already. We have parents who cannot make it. We have children who are not getting sufficient enough help. And we have persons who are retired who, most of them, if you talk to them, they will tell you they are bored out of their heads because they are accustomed going to work all the time and they have nothing to do. Some of them may say they enjoy planting in their yard and that kind of thing. But typically, two to three hours a week is not very onerous, and that may help.

Part of it is that we continue to put money into things expecting results. The real change is through people. So unless we go through this process of inspiring people to do what they have to do, to be your brother's keeper, we are going to continue in this mess, and we cannot, we just cannot. So, that is another interesting thought as an alternative. Because I think part of it is policy experimentation. We must be willing and able to experiment with policies, not import them all the time. If we fail, we fail, but we learn from it. Failure is not a problem. Learning is what happens when you fail. Unless you do not want to learn, then you really fail. So,

that is one.

Moving on to Tobago. Over 70 per cent of the labour force in Tobago is employed by THA, which is a very interesting figure. It is odd because it is like: “Wey de rest ah people?” Why is that they are whole 70 per cent? If something happens to THA, what happens?

Well, another interesting thought is creating a tax-free zone for Tobago, just like how you have other tax-free zones and, perhaps—

Mr. Vice-President: Senator, you have five more minutes.

Sen. J. Drayton: Thank you, Mr. Vice-President. Perhaps that is something we can think about to bring or attract some businesses from Trinidad over in Tobago to address this whole issue of employment opportunities. But it can also help because some of these businesses may also have other businesses and meetings that they may want to conduct in Tobago. So conference facilities, et cetera. So, thinking about that creatively.

There are several other things that I wanted to talk on, political finance, procurement regulations, that are equally important. But I also want to know, the Minister of National Security left earlier on. But I also want to know that crimes today involve the use of technology. And, therefore, greater resources need to be put into specifically the cybercrime unit and to have that level of independence over their budget because cybercrimes, as we know, it is very expensive, buying software, training staff. And, therefore, while we may use cameras on the street, we still need those things to be interpreted. We still need to use the technology and skills of the cybercrime unit. So, I want to encourage us by encouraging the Minister of National Security to, perhaps, look—and I know that that budget comes from the Commissioner of Police but to look carefully to allow the cybercrime unit to have a greater independence over its budgetary allocation.

In conclusion, Mr. Vice-President, the Government has provided us with some good first steps to further develop our country. But I wish to reiterate the need for greater inclusion of citizens in the process of developing the budget as recommended in the Open Budget Index.

Additionally, development is about connecting the dots, reducing silos and, therefore, increasing regulation of sectors such as those in agriculture and housing would be welcomed. I look forward to the feedback from the Government. I thank you, Mr. Vice-President. [*Desk thumping*]

The Minister of Works and Transport (Sen. The Hon. Rohan Sinanan): [*Desk thumping*] Thank you, Mr. Vice-President. Mr. Vice-President, let me start by saying thanks for the opportunity to present on behalf of the Ministry of Works and Transport to this budget debate. However, I would like to start by complimenting the Minister of Finance and also the Minister of Planning and Development— [*Desk thumping*—together with their team of public servants who would have put together a budget that I would describe as the SSG of budgets: “Stability, Strength and Growth”.

Mr. Vice-President, when I describe the term of between 2010 and 2015 as the SSS budget then you will understand why I call this one the SSG. The SSS? Yes, I was not here so. But it is not a recap. When you hear what SSS is for, Mr. Vice-President, I think they may understand why their members are crossing the floor so in droves right now; the droves, “by de grappe.”

Mr. Vice-President, in order to appreciate this budget, you have to understand where we came from. Because if you do not understand where we came from, you really would not know where we are going. And where we came from, 2015 to 2017, a reduction in revenue of close to 16 or over \$16 billion, at a time when, between 2012 and 2014/15 you had the highest revenue ever in this

country. Unfortunately, as the revenue went up, so too did the spending go up. And when you have that sort of reduction in the revenue and the expectation from the population being so high, this country was a very difficult place to govern.

As a matter of fact, I do have, unfortunately, a lot of friends in the UNC, a lot of my friends are UNC and it is something that I cannot run from. It is what it is. It is a small country. And the conversation prior to the election with them was that this was an election to lose; 2015 was an election to lose. That was their mantra, because they knew what this country was going to face after 2015. Mr. Vice-President, it is in that context that I say this budget was an excellent budget. *[Desk thumping]*

We were able to stabilize, bring back strength and growth to the economy. During that period, not one gazetted public servant was sent home. *[Desk thumping]* Not one social service was cut. As a matter of fact, we increased the social services to citizens who required it. And most important, Mr. Vice-President, not taking the advice of many pundits, we did not devalue the currency. *[Desk thumping]*

Mr. Vice-President, we were able to stabilize the economy, maintain strength and growth, and in this financial year we were able to improve the salaries and the pensions for over 300,000 of the lower income in the society. And it is in that context, Mr. Vice-President, I said that this budget was a fantastic budget and I compliment the technocrats and both Ministers for putting this budget forward.

Mr. Vice-President, before I go in to the Ministry of Works and Transport, I need to give you little, again, background as to where this Ministry really came from. In 2015, this Ministry, prior to the election, was divided into three separate Ministries with nine Ministers; four or five at any point in time. I “doh” know if that is the amount of UNC Ministers to make one PNM Minister. But clearly, in

keeping with the Prime Minister's mandate of smaller Cabinet in order to eliminate wastage, this Ministry was then merged back into one Ministry with one Minister. And if you want to look at the savings to the citizens, I will just draw one employee that is personal to the Ministers. Now Ministers have, I think it is four or five personal employees. This is not your Permanent Secretary. This is not the public servants that run the Ministry. This is just, when Minister comes in they say: "Okay, you could hire four or five people; you bring these people. You bring these people." That salary for the year, works out to \$665,000. So if you have five Ministers operating, it is five by \$665,000.

Sen. Mark: You have five advisors?

Sen. The Hon. R. Sinanan: Mr. Vice-President, I am speaking about the UNC time. All right. Mr. Vice-President, in terms of one employee, and the lowest paid employee was the chauffeur. So if you had four Ministers, let us say you go to the minimum because they had two Ministers in the Ministry of Works. They had one, sometimes two in the Ministry of Transport because they had works and transport. And then they took out drainage and they put drainage into another Ministry called water resources. You had all these Ministries, each one of the Ministers had something called their personal chauffeur. "Dat is not de Minister's driver, eh. Dat is not de Government diver." Just that employee at the lowest end, we would have saved by putting in one Minister. If that Minister hired a chauffeur, a personnel chauffeur, I can tell you this Minister did not. But even if I did, the saving on that one employee was \$1.8 million over the five-year period. Multiply the rest of staff, it comes up to "13 point something" million dollars in personnel staff saving just by bringing—

Sen. Gopee-Scoon: In that one Ministry.

Sen. The Hon. R. Sinanan: In that one Ministry, in that one Ministry. Having

brought that back to the Ministry you will understand and you will appreciate the amount of work that was done by that Ministry with one Minister, compared to nine Ministers between 2010 and 2015. They had more Ministers of Works and Transport between 2010 and 2015, than you probably had from 1956 come back. "I doh know how much UNC men to make one PNM man." [Laughter]

But having said that, Mr. Vice-President, I would now like to go into the work done by the Ministry of Works and Transport. Mr. Vice-President, for 2015, this Government was elected on the theme "Let's Do This". Remember that great movement of "Let's Do This". The People's National Movement then produced a manifesto. That manifesto was poison to the ears of the UNC. We made that manifesto government policy, which morphed into *Vision 2030*.

Mr. Vice-President, in that *Vision 2030* PNM Manifesto which became Government policy, there were 15 projects assigned to the Ministry of Works and Transport, 15 projects. Mr. Vice-President, in the short while that I have, I will give a report, which is what we are supposed to do on the budget. We are supposed to give a report on the achievements; not to criticize what the previous Government did. Because in my opinion, the population voted on them in 2015, and they may vote the same way in 2020. Right?

Mr. Vice-President, of the 15 projects, I start with the first project, the Solomon Hochoy Highway Extension to Point Fortin. As I said, there were 15 major projects assigned to the Ministry of Works and Transport and I will report on the 15 projects and all the other interests that the Ministry of Works and Transport would have had.

Mr. Vice-President, in 2015 this administration said that we will complete the San Fernando to Point Fortin Highway in a manner that best serves the national interest and the interest of all affected parties and stakeholders.

Mr. Vice-President, today is a very historic day in Trinidad and Tobago, because Mr. Vice-President today, after almost 75 years, we were able to open a partial opening on the Mosquito Creek. [*Desk thumping*] That is significant because every day—

Sen. S. Hosein: "Yuh know how much highway we open."

Sen. The Hon. R. Sinanan: No, you all never opened a highway. You all tried to build a highway. [*Crosstalk*] Unfortunately, three-quarters of the highway was stolen before it was finished. Mr. Vice-President—

[*Mr. Vice-President rises*]

Sorry, Mr. Vice-President.

Mr. Vice-President: As the Minister makes his contribution, there is a constant drone across the floor, so much so that I cannot hear what the Minister is saying now, because it is being drowned out. So can we have some silence while the Minister is making his contribution?

Sen. The Hon. R. Sinanan: Mr. Vice-President, after 75 years, finally you can drive on the Creek without carrying home saltwater. [*Desk thumping*] And, Mr. Vice-President, it is not a full opening; it is a partial opening. But this Government will do everything to bring relief, even if it is partial relief. [*Desk thumping*]

Hon. Senator: Performance beat old talk any day.

Sen. The Hon. R. Sinanan: And today, Mr. Vice-President—

Hon. Senator: "Dai UNC slogan eh."

Sen. The Hon. R. Sinanan:—package 5A would have been a partial opening and we would have been able to move the traffic onto the embankment, while we continue the work on the Creek. [*Crosstalk*] There will be some challenges going forward. But we told this population "Let's Do This", and today we are doing it, Mr. Vice-President. [*Desk thumping and crosstalk*]

Mr. Vice-President, I will not go into all the bacchanal and corruption and mismanagement of that highway. [*Crosstalk*] I did that in the other place, and my time is short here so I will not go into all the—

[*Mr. Vice-President rises*]

Sorry, Mr. Vice-President.

Mr. Vice-President: Again, I have to raise to my feet. I am getting conversations between both sides talking over the Minister, and he is not talking loudly enough that he can get through all of that and get to me. So please, can we have some silence while the Minister is making his contribution? Continue Minister.

Sen. The Hon. R. Sinanan: Mr. Vice-President, I did not want to go into what happened between 2010 and 2015. But they force me to go into it. So I will go.

Mr. Vice-President, in 2008/2009, the PNM Government designed that highway. They tendered it out. Unfortunately, the tendered price came up above the engineer's estimate, and prior to the election, the Government decided, the PNM Government knew [*Interruption*] "you doh not run a country by election." They decided we would not award the contract.

Mr. Vice-President: So, Sen. Obika, you were not here when I made my ruling, so I would make it again. I indicated that there would be silence in the Chamber while the Minister is making his contribution. The shouting across the floor is not going to be allowed going forward. Continue, Minister.

Sen. The Hon. R. Sinanan: Thank you, Mr. Vice-President. He was not here in 2010 to 2015, so he would not understand the UNC or else he "wouldn ah join, fuh sure."

Mr. Vice-President, the then PNM Government decided that they will not award the contract because they need to renegotiate the prices. Unfortunately for this country, the people fell for this Cambridge Analytica and they voted in the

UNC and they paid the price. They paid a heavy price. The UNC then went and awarded the contract, as it is, where it is, \$7.5 billion. So, they awarded the contract.

In 2015, this Government was presented with an incomplete project a bankrupt contractor, a reduced scope of works, mismanagement in the land acquisition, resulting to over \$500 million in claims to the taxpayers, 500 million and counting. Properties acquired are no longer required. Inadequate financial arrangements in place to complete the highway. Because if you go and you put financial arrangements in place then the whole process is scrutinized. To avoid that “dey say we will build it outta de Treasury.” That is what they did.

In 2016, this Government, through Nidco, terminated the contract with OAS because they were bankrupt. They abandoned the project. Demands were made on the contractor standby letter of credit and this Government was able to recuperate close to \$1 billion from the contractor. [*Desk thumping*]

I did not want to waste my time to go into this, but seeing that a lot of Members on the UNC Front Bench did not know what was going on in the party then, let me tell them what was going on. A couple days before the election, there was one clause in that contract that said if the contractor goes bankrupt, the Government could terminate the contract. That clause was withdrawn.

Sen. Rambharat: Just so?

Sen. The Hon. R. Sinanan: Just like that, withdrawn, and it was the Office of the Attorney General. At the time this process was headed by Minister Stuart Young and his team who did a fantastic job of going all the way to the courts in London and was able to bring back \$1 billion to this country. That \$1 billion, Mr. Vice-President, is the money that we took and we started the highway and have brought it to where we are, now putting finance in place to continue.

But more important, Mr. Vice-President, when we started back that highway, we decided to, as we said in the manifesto, restart that highway in the national interest and the interest of all affected parties. What we thought then is that we need to break this highway up into packages, unlike what happened in 2011, give it to one foreign contractor. We decided to bring in all the local contractors, let them bid, let them compete with the foreigners. We had 12 packages. Five local contractors won all. They were able to compete with the foreign contractors.

3.55 p.m.

At the end of this project, based on the system that we use, we anticipate a saving of close to \$2 billion. So we got back 1 billion and we expect to save another \$2 billion. Unfortunately, a lot of the land acquisition, the State would have been bound, and I can tell you as we speak, the lawyers are looking at the matter, the Government did set up a Commission of Enquiry to deal with the land acquisition and we wait to see what is happening with that.

But as we speak, Mr. Vice-President—

Sen. S. Hosein: “Why you doh do that for Kay Donna?”

Sen. The Hon. R. Sinanan:—I want to really move on, because I think the country will hear more about the San Fernando to Point Fortin Highway as we go along. But what we dealt with there is a catastrophe of the highest level that the last government left this country with. The land acquisition process there will take years and years to unravel because land was purchased there, land was paid for, up to now we do not know where some of the land is, land was given to—in some instances I am seeing one household getting four and five pieces of land, they gave every member in the household a piece of land for free. So, we will talk more about that in the Commission of Enquiry.

Mr. Vice-President, the second major project was the Churchill Roosevelt Highway extension to Sangre Grande. Another project, major project that this Government promised the population, what we were going to do is to open up the eastern sea board. This project is the first highway ever built in Trinidad and Tobago that has all the statutory requirements; all, down to the regional corporation the day before we turned the sod. Competitive bidding, foreigners bidding, local bidding, local won it out. Local won the contracts and this highway is an ongoing project. That is the second major project.

Mr. Vice-President, the third major project is the Valencia to Toco Road. We spoke about Valencia to Toco to open up that entire area. Mr. Vice-President, that is a 40 kilometre-stretch, and as we speak, eight packages have been awarded to eight local contractors, competitive tendering, competitive tendering, eight different contractors, and that work is going ahead, it is a total upgrade from Valencia all the way to Toco. And as we go out and we complete, Phase 2 will start, but we are right now into Phase 1. We are expecting to finish Phase 1 by next year, competitive tendering, getting the best rates on the market, all local contractors competing.

Mr. Vice-President, the fourth project is the Toco Fast Ferry Port. The UNC, I heard “hmp” on the next side. I know they do not like “nuttin” north of the Caroni River, you know. “Hmph! Toco is not people. Toco is not a place”, well, Toco—

Sen. S. Hosein: “You promising” that since 1991.

Sen. The Hon. R. Sinanan: Well, no, that was on the drawing board long before 1991. Mr. Vice-President, where are we with the Toco Port? As I said, the road is ongoing, the port, Mr. Vice-President, the designs for the project have been completed. Mr. Vice-President, the surveys on the sea bed have been completed,

and currently we are working with the EMA, because like the Cumuto highway, we will not start the port until we get all the statutory documents approved because that is how this Government “does” operate. We do not operate like the last government. [*Desk thumping*] Issue the contract, let money run and then start to look for approvals. We do not operate like that.

Mr. Vice-President, so far I have accounted that all the projects—and why build a port to Toco? As Minister of Works and Transport, I see sometimes the bills coming out of the port.

Sen. Gopee-Scoon: Contracts to their friends and family.

Sen. The Hon. R. Sinanan: I “doh” know if you understand, to run one vessel from Port of Spain to Tobago, a simple passenger vessel, costs in excess of \$100,000 in fuel alone. From Port of Spain to Tobago is 157 kilometres, from Toco to Scarborough is 44 kilometres, 44. So think about three boats running for the day, average \$100,000 in diesel and you could cut that to one-third.

Sen. Obika: “How you gehing to Toco?”

Sen. The Hon. R. Sinanan: Mr. Vice-President, I am hearing some whispers but I would not answer, somebody asking “How are you gehing to Toco”? Might take a helicopter. I presume—Mr. Vice-President, the port in Toco will not only bring Tobago closer to Trinidad, it will open up the entire sea board. The eastern sea board is about 50 per cent of the land mass, 50 per cent of the land mass, and it has about 5 per cent of the economy, 5 per cent. It is the best land for housing, but there is no infrastructure, there is no infrastructure. And if you put in infrastructure that is when, Sen. Drayton, you will be able to get houses and land at a much cheaper price because is a lot of land up there, nice land for housing, that is why that area has the highest squatter population, because it is nice land for housing. You put in the infrastructure and you will develop the industry, all right? So that is

how we intend to bring the price of houses down, by giving access to good land for housing.

Mr. Vice-President, No. 5: the removal of all traffic lights from Port of Spain to Sangre Grande. This is another, I do not know, I feel when this Curepe Interchange finishes, “dem UNC eh going back on that East-West Corridor”, because this is a project that they tried to award for \$500-and-something million. Ministers were fired, some contractors went to court and said, “No, is mine”, and the next one said, “No, the Minister promise me, is mine”, and they scrapped the project. We went back out, we tendered the same project, same design, same people’s land that the UNC wanted to take that they are complaining now that “the PNM take it and doing favors, eh”; same people, same land. We just added two additional roads, one road to lead you from the interchange to the Valpark Shopping Plaza and one road, I think, going up to UWI. So we add two roads to the same project, in the same land, in the same everything, same design. We were able to save close to \$300 million on the project. [*Desk thumping*] “I cyah believe people does thief 300 million in this country.” [*Laughter*] Three hundred—unless somebody could tell me who was getting that \$300 million, I say is “tief”.

Because I cannot understand how on earth you could tender the same project and come in at \$300 million less and this is not the only project like this, eh. The Cumuto to Manzanilla Highway came in at \$80 million per kilometre. The San Fernando Highway was being built, the same terrain, same everything, at \$125 million a kilometre, 45 million difference on a kilometre and you are building 40 kilometres, check that, check that. So enough said about the Curepe Interchange, that will be—let me tell you, we will put a big banner on that and say, “This is how you do projects”.

Sen. Obika: “How much millions you get for yuh land?”

Sen. Gopee-Scoon: Great is the PNM.

Sen. The Hon. R. Sinanan: Mr. Vice-President, Chaguanas, we develop Trinidad and Tobago and Chaguanas is a part of Trinidad and Tobago. We promised in our manifesto to do a Chaguanas traffic alleviation project. Mr. Vice-President, we opened Phase 1 in June and Phases 2 and 3 have already been designed and we are going to start Phase 2, all right? So even in Chaguanas, was in our manifesto and we did it. We told you we were doing it, “Let’s do it together” and we did it even in Chaguanas.

Sen. S. Hosein: “They will still vote all yuh out.”

Sen. The Hon. R. Sinanan: Mr. Vice-President—“No, just now all yuh crossing the floor in Chaguanas too”. [*Laughter*]

Mr. Vice-President, the construction of the first class road to Moruga, the seventh major project, and take note, every single project so far in the manifesto: work on-going. Moruga first class road from Petit Cafe to Marac. The project is 60 per cent completed, for the first time Moruga is getting a first class road. And 41 slope stabilization projects, six drainage works, four bridges and an entire pavement from Marac to Petit Cafe.

Sen. Obika: What about the HDC houses?

Sen. The Hon. R. Sinanan: Mr. Vice-President, HDC will account to HDC, I will tell you about the Ministry of Works and Transport. The eighth project—and this is the one that the UNC thought would sail them back into office. Mr. Vice-President, the sea transport, this Government knew in 2015 what was happening on the port, and that is why we said that we would fix the sea bridge. Because we knew that in 2014 the UNC board took a decision to fire Bay Ferries, a company that was brought to Trinidad—[*Interruption*]—well, the board Minutes “doh” lie.

Mr. Vice-President, when we bought those ferries, it was the previous government under Mr. Patrick Manning, they engaged a company called Bay Ferries, and Bay Ferries managed and serviced the ferries. In 2014 the then board decided it is time for Bay Ferries to go, so they reduced their three-year contract to a two-year contract. When that two-year contract ended they said, “It’s time to fire them now”, they said, “No, we will give them one year”. And in that one year, in 2015, on the board Minutes, “we will not renew this contract”, and they hired a team for the transition, a team of locals. Unfortunately, by the time that happened, the Bay Ferries, recognizing that they are going to be fired in one year—

Sen. Obika: Under the PNM.

Sen. The Hon. R. Sinanan:—down tools, because they knew they were going to be fired and the boats were run to the ground and that was the end of it.

Mr. Vice-President, this Government said we will do three things; short term, medium term and long term, and we said that at the beginning. There was an emergency period in terms of the cargo vessel, that emergency period lasted for I think two months, two months for cargo. We got the *Cabo Star* and to today, not one day the *Cabo Star* has ever left Trinidad full to capacity. We got a larger boat, and my information and the figures that I am seeing when you calculate the cost of the boat, the amount of diesel and the added expenses, it is slightly cheaper at this point in time than the previous boat.

But we are not looking at price, because you have to look at the convenience. Yes, we did go through some turbulence on the cargo vessel, but we fixed that within three months. We went into a problem with the passenger vessels, because of the service. And when this Government said short, medium and long term, short term, we brought in the *Galleons Passage*. So we had the *Galleons Passage* and the *Spirit* operating. We said the medium term we will lease a vessel,

we brought in the *Jean de la Valette*, and we told the country in the long term we will buy two brand new vessels. Mr. Vice-President, as we speak that too is done.

The sea bridge right now is the number one mode of transportation to Tobago, the boats are selling out every day, the new vessel, every day, you cannot—everybody said no, they cash in their airline ticket, because it is two and a half hours now to get from Port of Spain to Tobago in luxury, people thought it was a cruise ship. [*Desk thumping*] And the sea bridge, for those of you who thought you would have sailed into government on Tobago's back, Tobago said, "It is okay, all yuh stay in Trinidad". [*Laughter*]

Mr. Vice-President, the ninth project, out of the 15, the construction for a world-class international airport. As we speak, the preferred contractor out of a public tender is being negotiated with and we expect that in early 2020, that we will break ground on the airport. As we speak, the THA has identified lands for the relocation of the residents, they have gotten the approvals of the EMA and while they work on the relocation of the residents, the contractor—negotiations have taken place with the contractor. So in early 2020, a brand new terminal building in Tobago, and the existing terminal building will be upgraded for its domestic use. So that project as well, far advanced.

Mr. Vice-President, the tenth, a comprehensive programme for maintenance of roads and bridges. The PURE unit would have done over 500 projects under Road Rehabilitation. In terms of our bridges programme, we have three phases. The first phase was 12 bridges, out of those 12, 10 bridges have been commissioned. The second phase, we had 25 bridges, out of that 25, 22 have been completed. And in the third phase we have gone out for designs for an additional 25 bridges. So by the time we finish with the existing bridges we will be ready to start an additional 25 and these bridges are throughout Trinidad, throughout

Trinidad.

Mr. Vice-President, in terms of landslips, 68 landslips were identified and as we speak, 38 of them have been put forward and have been approved for designs. I cannot go into the list of the 529 projects that PURE did, but what I can tell you, some of these projects are the walkovers that you seeing all over; the Port of Spain flood alleviation project, and there are many projects. Highways: widening the existing areas where we have two lanes on the highway where they actually take them to three lanes, and a lot of projects happening under that programme.

Mr. Vice-President, 11, the eleventh item on that list: implementation of a comprehensive national drainage plan. I want to congratulate the Ministry of Works and Transport, the Drainage Division, because that was one of the divisions that was taken away from the Ministry and when it came back, it came back with a skeleton staff because most of the employees went to Public Utilities and it took us a while to rebuild the capacity. What we found happening in there, there were five studies which we spent millions and millions of dollars for. One thing in this country, we love to study but implementing the study is where the challenge is. And we found studies in North Oropouche River Basin, South Oropouche River Basin, the Caparo River Basin, the Caroni River Basin and the Ortoire River Basin, all studies, hundreds of millions of dollars, eh, because these things are not cheap. And there was one downtown study too, downtown flood alleviation, well, that one failed. So that one we just had to forget about that. And there is one more study that we had to do which is the western peninsula study, last study for Trinidad. We decided that this does not make sense because you get these studies and then you hear to implement this is \$1 billion or \$2 billion, because of the amount of work that it entails.

So we engaged CAF which is the Andean Development Bank, and we told

CAF look, we have spent so much money on studies and we cannot implement them. So we went to CAF for a grant funding and we said “Look, you pay for the experts, bring in your experts”, which they agreed. They brought in the experts and we gave them all the studies. We gave them all the studies and we told them let us come up with an operational plan, we cannot do everything “one time”, it has to be done in phases. What we could do is pick the low hanging fruits—

Mr. Vice-President: Minister, you have five more minutes.

Sen. The Hon. R. Sinanan: Five more minutes. Mr. Vice-President, in that five minutes, I really want to give the country the assurance that the 15 projects—so we are dealing with the drainage and we are at the stage now where a note is going to go to Cabinet for an operation plan for the entire country where we look into the short, medium and long term. This year we did over 400 projects, we have cleaned up the Caroni River, all those came out of some of the studies. So we have actually started to work on the studies without, you know—based on the funding that we have and we wait for CAF.

The 12 was the national transportation plan, that plan is before the Cabinet right now, all the ground work was done on it and we are right there. At the container port, again, the studies were done and within two weeks a note will be going to Cabinet as to the way forward with the port, because we recognize the port cannot continue at the rate. We spent about two years working with the IDB for a way forward and the IDB would have given us a report that is going to Cabinet in about two weeks’ time.

Mr. Vice-President, the last project is the construction of the Port of Spain to Chaguaramas causeway, that project has two phases; one phase is using the existing road and adding an additional lane which minimizes land acquisition and you use the technology, two lanes coming out on a morning, one going in; on an

evening, two going in and one coming out. And in terms of the causeway, what we are doing now, because we have all the designs, the studies everything, we are going to Cabinet for permission to go out for a PPP on that. And if someone comes in and they say look, we are doing a PPP like what was done in Jamaica and some of the other countries, then the Cabinet will determine that. That project would have reached to a point where a decision now is just pending on the way forward.

Mr. Vice-President, we have a lot of work going on in the Licensing Office. Unfortunately, what had happened in Licensing Office, under the last term a bond was raised for 378 million and that was supposed to build three new buildings, a head office and, I think, six other sites. Somebody decided without Cabinet approval to spend 260 million on one building in Caroni and they “burst” the budget. And they came back now, they bought a building in Arima and they said well, we will build a building in Arima.

So they bought a property for \$27 million, before they bought the property the Ministry of Works and Transport said that that property has to be condemned, they said, “No, we still buying it”. So they bought the property. Then they did a design for \$12 million, then they came with a note for 140 million. So what they wanted was another 370 million to complete the project. What we did, the 36 million remaining from that money, we took the 36 million—Mr. Vice-President, the land they bought in Arima, we gave it to the Attorney General, because the Ministry has 10 acres of land right down the road. We are going to build a new building in Arima from the 36 million; we are building a new building in Sangre Grande; we are upgrading San Fernando, Port of Spain and St. James. We are computerizing the Licensing Office and we are getting everything that they wanted for the 36 million, what they wanted another 378 million to do. We are doing that with the 36 million.

Mr. Vice-President, in terms of procurement, the Ministry would have, although the procurement regulations have not been implemented, since 2016 the Ministry has a Procurement Unit, we work closely with the Procurement Regulator and we would have used the template, and all projects in the Ministry actually follow proper procurement. And I challenge anyone at any point in time can come to the Ministry and query anything. That is something we boast about.

Nidco, Nidco is one of our procurement agencies and Nidco too has gotten a mandate that any questions that come up in terms of procurement, we must be open and transparent with it.

Mr. Vice-President, in terms of how we deal with emergency work, over the last four years we would have spent less than the previous government spent on one flood in one area between 2010 and 2015. Why? Because we do not just allow contractors to come and do what they have to do and send us a bill, we use bonded rates from registered contractors and they will only come out when we call them out and we pay them for the time on the job. In one instance in one flood in Trinidad, close to \$100 million was spent, that Diego Martin flooding, by several agencies. Mr. Vice-President, over the last four years I do not think we spent 10 per cent of that in four years, what they spent in one flood in one area.

Mr. Vice-President, there are a lot more positive things coming out of the Ministry, Diego Martin Interchange, a lot of big things are happening, what the citizens can be assured is that we are doing more with less, they are getting value for money and nobody is putting their hands in the cookie jar. I thank you. [*Desk thumping*]

Sen. Sean Sobers: [*Desk thumping*] Thank you, Mr. Vice-President— [*Interruption*—not to worry, not to worry, listen, listen intently, listen.

Sen. Obika: Listen and learn.

Sen. S. Sobers: I am very grateful to be given an opportunity to contribute this afternoon on this Appropriation Bill. Now, Mr. Vice-President, at least on our side here, on the Opposition, we can definitely say that this is not just us as a group of persons approaching this particular situation—if I was to use a quote from the hon. Minister of Labour and Small Enterprise Development, Sen. the Hon. Jennifer Baptiste-Primus—“all willy-nilly”.

Sen. Baptiste-Primus: I like how you smile when you call my name.

Sen. S. Sobers: So that our contributions both in this place and the other place would have been based upon a mandate that was given to us by the Leader of the Opposition, Mrs. Kamla Persad-Bissessar, to go out there and really touch the flesh, interact with persons within all communities and constituencies. [*Desk thumping*] And I know Sen. Drayton would have also mentioned that as well too, and we here in the UNC actually did do that.

We had several pre-budget consultations throughout the length and breadth of Trinidad and Tobago. And I dare say not only in UNC controlled areas or UNC deemed areas, but throughout the length and breadth. We would have done pre-budget consultations in Laventille, in Point Fortin, several of them in Point Fortin, Cedros and right throughout the East-West Corridor. So that when we approach this particular presentation and we actually do in fact contribute, it would be based upon us listening to the people and then leading. [*Desk thumping*] And that is something that our leader has constantly said, that in order for us to really demonstrate to the people of Trinidad and Tobago that we are in touch with what they are saying, with what they are feeling, how they are feeling, we needed to go out there and actually listen and then lead.

So all our contributions today would have some aspect or would be based upon some level of interaction and some information that we would have gathered

from persons out there. And, Mr. Vice-President, before I forget, if you would permit me as well too, I am a San Fernando born boy and I went to Presentation College, San Fernando, and I know the hon. Minister of Agriculture, Land and Fisheries would agree with me, I think today the Presentation Lions are playing Naparima in our own El Clásico—

Sen. Obika: And we will win. [*Laughter*]

Hon. Senator: They passed for second choice.

Sen. S. Sobers: No, we passed for our first choice. So I just want to say, “Go Pres.”, we will do them justice this afternoon as well.

So that, as I mentioned, we went out there, we touched the flesh, we interacted with the different communities throughout the length and breadth of Trinidad. And one thing we got a lot from persons from all different communities is that they really did in fact feel that the Government would have failed in terms of their mandate that they would have given to the people of Trinidad and Tobago. And I say it time and time again in terms of considering when a political organization approaches the public, engaging them in terms of political talk and rhetoric to eventually become or form the next government of any country, you are basically engaging persons to form a contract—I say it time and time again—a social contract wherein you are saying, listen, give us your vote and in return for that, in return for trusting us into governance, in return for giving us dominion over a Treasury and all else that goes along with such a venture, we will provide you with social and economic stability and security as well too.

And it is clear by any measure that can be attributed to this particular Government, that they would have failed in that manner. [*Desk thumping*] That they definitely have breached their social contract to the people of Trinidad and Tobago. And I think in terms of dealing with that breach, the people of Trinidad

and Tobago will cast their vote correctly come December the 10th—

Hon. Senators: The 2nd.

Sen. S. Sobers: The 2nd. So—[*Crosstalk and laughter*—it may come sooner than later. So that in addition to the fact that persons would have echoed their resounding disapproval of measures meted out to them, they have also as well, spoken of the fact that in terms of this particular administration, there have been no real tangible deliverables meted out to the people. That they consistently say that this is a particular administration that is full of talk and no action and we constantly echo that as well in the UNC, that the PNM is all talk and the UNC is the one that does all the work.

Hon. Senator: Correct.

Sen. S. Sobers: So this will be, Mr. Vice-President, the first time that any particular administration in terms of approaching the public, really and truly they will be an administration who would be unable to reasonably tell the population as to how many schools they would have built on their own; as to how many police stations they would have really constructed on their own; as to how many hospitals they would have built on their own. These are usually easy selling points for any administration in government. This would be one of the very first times that an administration would be unable to do so and that is the hallmark and the legacy of the People's National Movement. [*Desk thumping*]

But, of course, Mr. Vice-President, I do not expect much in terms of retort from this administration, they will come as they have done for the past four-plus years and indicate that it is all the UNC's fault, and we bankrupt the country, and all this and that, and a set of fluff and flurry. And the only thing, in my considered view, that is bankrupt is the fact that the PNM is bankrupt of ideas. [*Desk thumping*] And this particular budget, this SSSG or whatever budget they want—

rose of —whatever name you want to peg it, is a fumbling and stumbling as they go along trying to make this thing—to piece things together, a mismatched puzzle.

4.25 p.m.

And permit me, Mr. Vice-President, as I go through my contribution, I would indicate areas of this administration demonstrating that they are, in fact, inept and bankrupt of proper ideas. But before I get in to my substantive contribution, I just wanted to touch on a couple things that the Minister of National Security said when he was here earlier on in his contribution. One of the first things the Minister of National Security touched on is the fact that he was very grateful for the assistance to the Government in terms of passing particular pieces of legislation, and one of the pieces of legislation that he mentioned was this anti-gang legislation, and he went on to indicate that it was so successful, that they arrested four persons, known gangsters, and blah blah, blah, and the rest of the things that were said.

The difficulty is, Mr. Vice-President, as much as in terms of my practice being in a quasi-criminal practice myself, and it can be said that maybe some of the persons who have been detained could possibly be involved in activities related to gangland style activities. This is the same legislation, when the Government approached this Parliament, they indicated that they had so such data, so much information, so many manpower of investigation had already gone into investigating these gangsters—thousands of gangsters throughout the length and breadth of Trinidad and Tobago, big chart on different forms of media indicating where the gangs were operating, how many persons were in these gangs throughout the length and breadth of the country—and that once they got the support for anti-gang that they would have a certain number of persons behind bars the following day. Some of them would have gone onto the media saying that they

had to drag the UNC back into the Parliament, kicking and screaming, and all sorts of foolishness. And after an entire year of anti-gang legislation being on the books, Mr. Vice-President, four persons, four persons only charged under this piece of legislation. So I really do not know that it is anything to beat your chest about. It demonstrates again, that in terms of trusting the things that this Government tells the population, we cannot do so. [*Desk thumping*] I am not making any of these things up. It is actually on the record.

Many of the Members within this Chamber, many of the Members who were in the Lower House as well too, would have repeated those same statements and now all they have to show for it statistically—data, hard facts—is four persons, four persons. It leaves a lot to be desired. The other thing the Minister of National Security as well touched on, he indicated that there was a facility, an eastern correctional facility that the previous administration spent some \$230 million on, and they are now upgrading it and using acreage within the facility—10 per cent I believe it was—for IDC detainees and whatnot and whatnot, and I think this was being done within 2019.

Now Mr. Vice-President, I practise heavily as well too in the immigration arena, and I would have dealt—maybe spanning at least four or five years back treating with immigration matters, and those matters would have definitely taken me to the Immigration Detention Centre in Aripo, and I would have been there on several occasions and I would have seen the state of the detention centre throughout that time. This is the same detention centre that would have mass amount of persons escaping, repeatedly. This is the same detention centre that would have had detainees rioting. This is same detention centre that had detainees going on different fasts, hunger fast and strikes and what not. This is the same detention centre that had members of the facility who are, in some cases, ex-police

officers, ex-prison officers, ex members of the regiment, who manned the facility striking on some occasions, and this has been going on for quite some time. It did not start yesterday.

So to come and tell the population today that in 2019 you have now had this great, grand bright idea to convert some facility that supposedly cost 230 million to house some detainees, it is again nothing to be proud off. Because these issues, it you were serious about the Immigration Detention Centre, you would have made the necessary changes to the IDC way back when you entered office and not in 2019. A feature again of a coming soon budget and a “plenty for 20”, which is what this budget is being touted as by members of the population.

Sen. Gopee-Scoon: Plenty for 20?

Sen. S. Sobers: Plenty for 20, coming in 2020 and beyond, in some instances. Right? I do not know why they are planning for beyond 2020 because they will not be there after 2020. [*Desk thumping*]

The Minister of National Security as well indicated that there was an issue with the interceptors and he got a quotation concerning purchasing some new interceptors and whatnot and whatnot, and he again—he or whoever technocrats or whatever—but the grand and bright idea that they should find out what is going on with the 14-plus interceptors that were parked up in Staubles Bay, as we like to call it, “Stumbles Bay”. The difficulty is those interceptors were purchased by the People’s Partnership administration, and those interceptors had a specific purpose—running through tributaries and whatnot, running down go-fast boats which are what are usually utilized by gun smugglers and drug smugglers coming from St. Vincent, Grenada and Venezuela—and instead of maintaining those very same interceptors, they let all of them rot and shut down at Staubles Bay. So to turnaround now as well too, again, to tell the population that you had this grand

idea or this grand plan then to save the country this mass amount of money for your unfortunate incompetence of letting the boats shut down and rot down, really and truly does not give me any comfort whatsoever, because had you maintained the boats in the first place you would not have to be getting quotation for mass amounts of money [*Desk thumping*] to come now to tell the population something about saving any set of money when you are the cause of the problem.

The Minister of National Security again, as well too, touched on situations with respect to the Forensic Science Centre and as welcome as their approach is in terms of hiring some staff and additional pathologists, the issue still remains the same with the Forensic Science Centre, the physical space. The centre is an old building. You will have infrastructural integral problems associated with the building. It is the same building that has been accused of having drugs and guns go missing, a cache of weapons. Mr. Vice-President, 200-and something plus weapons just vanished. Nothing about that coming out of any police investigation. This same Forensic Science Centre that cocaine and whatever would have gone missing as well too.

The same Forensic Science Centre that this Opposition complained about vehemently, every single opportunity we got, and we were told by the very same Minister of National Security who is on the record, is on the *Hansard*, indicating to this House that they were in some arrangement with the Chinese Government to construct a Forensic Science Centre. That was the first time we heard of it. Subsequent to that, constantly complaining again, the same Minister of National Security came to this House and indicated that the arrangement was supposed to take place in Mount Hope. Months after that no banner, no sign, nothing concerning that Forensic Science Centre in Mount Hope, no talk about the Chinese again, except with respect to this housing situation that I am certain other

colleagues may talk about, nothing concerning that. And then when you come to this House, you have to tell us about Forensic Science Centre, and that the most you could tell us about is hiring pathologists, nothing concerning this Chinese arrangement, which makes me wonder whether or not that as well too was even factual, and this is the problem we have with not being able to trust this administration. [*Desk thumping*]

And lastly, well no, not lastly, the Minister of National Security as well, indicated that in his opinion—he indicated that in terms of this individual who would have been caught with several high-powered rifles and whatnot and the gentleman got bail—he thought that to be ridiculous. Now, Mr. Vice-President, I am an attorney at law. There are other lawyers, Senior Counsels, in this Chamber, other senior members at the Bar—a senior member of the Bar, which the Minister of National Security is and I have a lot of respect for him in that capacity. I am told and I have seen that he is an excellent attorney. So for him to make such a statement condemning, not condemning, but for him to make a statement in his opinion, that the decision of a magistrate to be ridiculous when the law—the law allows the magistrate to make such a decision—is really a ridiculous statement in itself to make.

At the end of the day, Mr. Vice-President, you are innocent until you are proven guilty. It could very well be a fact, subsequent to that matter coming to fruition and to an end, that the items may have been planted on the individual. Is it then that the individual should rot in prison pending the outcome of the matter, because he has been alleged to have been in possession of these items? That could never be a proper approach to justice [*Desk thumping*] and if these are the statements that are being made by another senior member of the Bar who, as I said before, I have respect for in that capacity, it is very troubling and worrying the road

that we are going under.

As well too, Mr. Vice-President, with respect to the last statement that was made with respect to fishermen. Now, I do not know the facts or the information that may have been available to the Minister of National Security for him to make such a statement, but I would want to say, humbly, that not every single fisherman who may have been kidnapped for ransom may have been involved in some type of illicit activity. And, again, it is not a proper statement to make then that persons who may have been kidnapped do not have any fishing line—do not have this, do not have that and do not have the other—would insinuate then that these persons are involved in some type of nefarious activity. It is not a proper statement to make by the Minister of National Security. He, as a senior member of the Bar, as well as a Minister of National Security, should know better. These are the responses that I have to what was said by him.

Moving on, Mr. Vice-President, I wanted to touch, particularly, as it pertains to the budget presentation on this light bulb issue as well too. Now, Sen. Drayton would have spoken about it, Sen. Deonarine as well too spoke about it, and I want to admit from the onset the genesis. I think it is an excellent idea—light bulbs, LED bulbs, fantastic idea. The difficulty is, Mr. Vice-President, as shameless as this administration is, not one of them have come out to indicate to the public that the genesis of that idea, the birth of that idea, came from a People's Partnership administration and I will give you the history of that. It has to go on the record. Nothing new from this particular administration, nothing innovative, but they want to copy and paste, take our ideas. But as I would have said in a previous debate, imitation is truly the best form of flattery. [*Desk thumping*]

So when we look at the light bulbs situation, simply when we look at this budget book that we would have been given, Sen. Drayton, Budget Statement

2020, “Light bulbs: Tariffs structure” and it simply says that:

“...in order to support the transition to LED lighting, I propose to remove all taxes and duties on LED bulbs and appurtenances.”

But let me tell you about this light bulb situation, Mr. Vice-President, with the greatest of respect. The reasoning behind moving—one of the reasons, one of the major reasons behind moving to using LED bulbs, really and truly is because the majority of the homes within our country, 90 per cent of the homes in our country, are powered by natural gas, and if there is a measure set up whereby a percentage of that can be saved it would, in fact, be beneficial to the country. Why?

Whatever natural gas is saved by switching to these LED bulbs would now be able to be channelled to areas where the country can earn more revenue, like Point Lisas, to be utilized in the downstream industries. So it would be sold to companies like Methanol Holdings where the natural gas could be converted into more lucrative products like urea, and when the urea is sold the Government could earn some great revenues off the taxes from such a venture, and that is really one of the big plus or big takeaways from such a venture. So it is a welcome step.

But in or around 2011 or 2012, Mr. Vice-President, it is the People’s Partnership administration that started rolling out something called the National Energy Communication Campaign, and it was a campaign to introduce something called Compact Fluorescent Lamps, CFLs, under something called the Light Bulb Exchange Programme. I am not seeing the hon. Minister of Public Utilities here, Sen. Robert Le Hunte. [*Crosstalk*] Respectfully, I will tell you Minister of Energy why it was not make believe. [*Crosstalk*] So that this bright idea really and truly is not—the brightest idea is not even their bright idea. [*Laughter and desk thumping*] So the purpose of the campaign was to demonstrate energy efficiency, to demonstrate that you will be able to save almost 75 per cent with respect to

energy savings, that it was 10 times a longer life than incandescent lamps, and that it was highly luminescent.

And how this was going to be done? It would have been done through an education campaign to explain where energy came from. It would have been done to demonstrate how persons could really and truly save energy and then it would have been done to educate persons on renewable energy as well too. And what was actually done is that the People's Partnership administration would have ventured out into rural to low-income communities such as Laventille, parts of Sangre Grande, La Brea, Cedros and even in Tobago. And in terms of going into these communities, they would have invited citizens. They would have "miked up" a lot of cars and encouraged persons to come out to the events. The events were actually hosted by local television celebrities. One of the most featured persons within those events was a lady called "Philomena".

Sen. Ameen: "Aunty Philo".

Sen. S. Sobers: So they would have gone as well too, into schools to educate the youths, because it was thought in terms of educating the young persons about energy savings and in terms of switching over to these CFLs, that they would have been able to go home and educate their parents as well too, so that they would have made the proper switch.

And, lastly, there was an initiative where 25 homes in certain communities were retrofitted with all the bulbs being removed and then on a month-to-month basis, there was a check of the uses of energy and the savings they would have accrued from such a transformation and, in most cases, as much as 84 per cent of savings would have been had by some of these persons in the homes. And the savings that were attributed to something like this, was not only in terms and could not have been attributed only in terms of the changing of the light bulbs

themselves, but it was based upon the educational awareness, and that is the exact same issue that Sen. Deonarine was mentioning.

So it cannot be then that just by switching out bulbs or giving out bulbs or giving tariffs, and not explaining to the people within this country—educating them properly and accordingly as to the benefits that could be accrued by such a step that would have assisted with respect to the savings that could be had—you must have gone out there to educate these people, and this was done through a phased and step-by-step basis that was done by a People’s Partnership administration. [*Desk thumping*] Because the ethos of that particular CFL programme was to demonstrate people-centred empowering strategies that persons would really be able to truly empower themselves to move forward.

People were made aware. It was not just simply a hand-out. It was through participation between Government and the public, educating, them on the benefits of such a programme. It goes back to the saying, you know, you cannot just give a man a fish for a day, he will only be able to feed himself for a day. You need to teach him so that he could actually feed himself for life, and that is what this People’s Partnership and UNC administration was about. [*Desk thumping*] And that particular programme won significant awards, global awards: the Green Leaf Awards for 2014, the 2013 Addy Award. It was a significant programme, and one of the recommendations out of the programme in 2014 or 2015 thereabout, was to eventually move to LED bulbs, and that is how this bright idea, this LED bulb idea, is now being utilized by the PNM administration. So it was not their bright idea. It was birthed from the People’s Partnership. [*Desk thumping*]

Sen. Ameen: “Thiefing” ideas and all.

Sen. S. Sobers: Mr. Vice-President, I also had an opportunity to look at some areas of national security in terms of the actual budget presentation, and when I

looked at national security, the first thing I looked at was a statement that was made that the Government will be:

“...bolstering the strength of the police service by increasing the size of the regular in-take batches and ensuring that they are all exposed to the most current training policing strategies. The Government is now conceptualizing a state-of-the-art police training academy which will support the Cumuto facility.”

Now, based upon that I said, well listen, that does not sound too bad, let me really find out what is going on in the Police Academy—what, if any, of these programmes are taking place, what changes are being made—and I was surprised to hear from senior instructors at the academy that all of these things really and truly, they are not true, shocking; that the only thing that is actually taking place is—and I was surprised that the Minister of National Security did not mention it—that there is a CSI house that is being constructed. It actually started in July 2019 and it should be finished in and around April 2020, to assist officers with respect to, you know, having live examples about crime scenes investigation and whatnot, and that is an initiative that would have been a partnership between the US Government and Trinidad and Tobago. But, apart from that, nothing else.

I was also shocked to hear—and this is something I would have expected to see or some changes to be made through this budget with respect to the Police Academy—the fact that the Police Academy in Trinidad and Tobago does not have their own firing range. Officers have to go down to the TRA range in Chaguaramas to train, and because it is so difficult sometimes to get down there—it is so difficult sometimes to get use of the range—some officers are only allowed an opportunity to fire that one time for qualification, that one time to fire live rounds for qualification. God alone knows what could happen with an officer if he

is really faced—his first day in the field and he has to discharge and he had no other experience with respect to discharging live rounds other than that one time for qualification.

I am told that the range that is currently down there is an outdoor haphazard set up and that persons use gas operated CO2 guns to mimic real-life situations and that what they really want is a proper firing range. That is what should have been featured in this particular budget. They also complained about the fact that in terms of—and this is another problem associated with them not having a range—training officers in shooting in dark situations at night, they are unable to do so because they cannot go down and rent the range at TRA in the night. So it is really a cumbersome situation if an officer is caught in a gunfire at night, having only ever fired his gun once in his career at the barracks in a daylight situation, and this is an administration demonstrating that they really want to make changes with respect to national security.

I am also told that the officers will want a mock courtroom set up to give officers the ability to be trained properly with respect to courtroom procedure and giving evidence. Many members of the Criminal Bar, I am one of them, we relish when we get an officer who is wet behind the ears and goes into the evidence box and does not know how to give evidence—very, very, minor situations, minor things that he is supposed to know or ought to know, he cannot tell the court, and the court has no other alternative but to rule one particular way. They want a system in place so that they can train their officers properly. This is what should have been featured in this particular budget for national security. And then when they talk about expanding the barracks to take in more officers, they would like that as well too, because currently, the dormitory only has space to take in 200 officers at a time, and right now there is no operation or construction taking place

to expand it. So I do not know when they intend to do what they are saying in this budget, coming soon in 2020.

Mr. Vice-President I, was also shocked to hear, in speaking to this individual, that they actually wanted a part of the programme to be expanded for swimming lessons. We live in an island and there are many cases coming up now where officers may have to get out into water to rescue civilians and whatnot, and many of the officers who pass through the barracks cannot swim and they have lobbied to get a swimming session in place. That as well, they have been told on numerous years, they do not have the budget to expand to allow something like that to happen. This is something as well too that should have been done within this budget. Instead of spending to \$7 million to upgrade Hilton Pool, they could have built a pool [*Crosstalk and laughter*] for the officers to learn to swim. [*Crosstalk*] I hear it is not the pool, it is the drinks by the bar, not the pool. Right? So these are things, you know, I was concerned about.

And when I read further with respect to this national security, I also saw stuff concerning body cameras and whatnot. And I know in terms of the current cameras that they have, the issues—and I am not seeing it addressed here—regarding the cameras is that the recording time for the cameras are only about an hour. So they really cannot do anything with them in terms of being able to utilize them properly. And if we are purchasing new cameras to place on these officers, the recording time should be longer, and if they are not longer, there should be a policy strictly put in place with respect to when the camera should be turned on and off so that important information could be captured on the camera.

I saw talk and I heard the Minister of National Security speaking about the drones. I think that is a welcome approach. I really want to know how much will be bought and that there should be proper training in place. I did not see a feature

of this budget for CCTVs and I have a real pet peeve about that, because I think CCTV footage and cameras working are extremely important and a vital tool in crime fighting, [*Desk thumping*] maybe not so much for crime prevention, but definitely for after the fact scenarios to bring perpetrators to court, at least, based upon the footage and then eventually to justice. For convictions, CCTV footage is important.

So when one person enters a police station and is in the charge room and sees this television above them—I have said it time and time again—and the majority of screens on that television are blank because the CCTV cameras within that particular district is not working, and there is no mention of it in this budget, it gets me really upset. It makes we wonder then, who did you speak to? Who did you consult? And then piling on legislation to utilize CCTV footage in court, but the CCTV cameras are not working.

I say time and time again, I remember going to England—the first time I went to England was in 2011 when they had the London riots. How many thousands of persons, all over the UK, involved in that riot and the majority of them from as far as Manchester and Birmingham and whatever coming down to London to riot, the majority of them, subsequent to that riot, were arrested. Why? CCTV cameras. They are important. I mean, I would say it and I am certain nothing will be done, but.

Then I saw them mention as well too and speak about DNA. I really want to see that being in the field and being operated. I do not know what is the situation with that. I mean, I guess it ties right back into the Forensic Science Centre. There is conversation about migrant flow. The Minister of National Security indicated, at least, he spent some time speaking about migrant flow and radar systems and whatnot. There is no mention of radar systems within the budget, and then there

was also no mention of this task force.

The Minister of National Security spoke about this task force, this special task force that would be operationalized, especially with respect to this influx of migrants coming into the country—not all of them being bad, of course—but to ensure that we have a force in place to treat with migrant flow. Since that time there has been no other mention of this task force. There is no mention of the task force in the budget. There was no mention of the task force by the Minister of National Security. Again, that adds to the problem with respect to trusting this administration and the task—

Mr. Vice-President: Hon. Senator, you have five more minutes.

Sen. S. Sobers: Yes, grateful please, Mr. Vice-President. That is vital. And when we also talk about things that the Ministry should be doing, I heard the Minister of National Security as well too mention that he dealt in terms of naysayers and whatnot with respect to budgetary allocation to the police service.

4.55 p.m.

Well, I want to say and put on record as well too, just like he did, and I would read from the *Newsday* article, Saturday the 21st of September, 2019:

“Cops lament: ‘We don’t even have toilet paper’”

The Police Social and Welfare Association (PSWA) made a call to the ‘relevant authorities’ not to tarry on releasing funds to the police, because the finances are needed for police to get even the most basic of items - like toilet paper.

‘Miscellaneous items like toilet paper, paper towels, light bulbs’...”—

Bright idea:

—“‘are not supplied’...”

This was said by the secretary of the PSWA, Sgt Ancil Forde:

“Even fittings to repair broken toilets and faucets are not provided. Officers have to provide”—their own—“money to buy these items because they work in the environments. These are now bordering on OSHA issues and health and safety issues.”

But, you know, according to the Minister of National Security, “doh” worry, we have put everything in place, there is enough money for the police service. And he went on to indicate:

“Forde said officers seek treatment at public hospitals, and even when given the government funded medical assistance, medication which is also needed may not be supplied.”

And what I think was the most egregious part of this entire release was that he indicated:

“Because if we take the case of a police officer trying to enforce law and both the police and the suspect are injured and both of us are lying in the same cubicle, and the suspect’s family and friends are coming to visit him, that puts us in an untenable position.”

That is the way in which this particular administration are treating their police officers. That could not be right. There is a batch of special reserve police officers that have just passed out and there are no uniforms for them.

“Stockings are a part of the kit for female officers. The service has not purchased stockings for over three years.”

But they are properly giving them all the money. That is what has been said. That is on the record by the Minister of National Security, but yet you have the Police Service Social and Welfare Association saying something completely different. I would trust the Police Service Social and Welfare Association and not this administration, and that is the pulse of the people out there.

Mr. Vice-President, I know that time is winding down and with my last few minutes, there was also mention of something called Cure Violence, I would not really want to get into that too much, I would let one of my colleagues deal with it, but it is a very serious issue. And when you look at what Cure Violence is, on paper it sounds really nice, really fanciful, going into communities and treating violence as an epidemic and dealing with them as medical issues, and what not and what not, but one thing Cure Violence speaks about, and it is on the cvg.org website, Cure Violence website, a gentleman called Gary Slutkin who created it, you have to rely on community leaders to go into these communities to assist persons and that is the basis of Cure Violence. And if we hearken back to the PNM's relationship with community leaders, one can only wonder where this rabbit hole will take us; \$6 million from PNM-controlled corporations to community leaders, to do what?

Hon. Senator: Gang leaders.

Sen. S. Sobers: Well, it is the same community leaders. To do what, to buy the same AR-15s that the Minister was talking about, the real weapons of mass destruction that are out on the streets today—

Sen. Obika: PNM financing gangs.

Sen. S. Sobers:—and that is what they want with Cure Violence.

And just to touch before I sit, Mr. Vice-President, when we talk about housing, and Sen. Drayton spoke about housing, I feel a lot too because I still live home by my mother so I know about expensive housing, and what not.

Sen. Cox: “What you doing home still?” [*Laughter*]

Sen. S. Sobers: I want to tell the citizens of Gomez Trace in Moruga that we have not forgotten your housing polite. [*Desk thumping*] Tommy Brewster, we did not forget the leaking plumbing. Hamilton George, we did not forget if broken septic

system. Mr. Aaron Patrice, we did not forget the bad egress that was built, [*Desk thumping*] the elevated prices; we did not forget you, and we will deal with that properly in the courts in Trinidad and Tobago. And with those few words, Mr. Vice-President, I thank you very much. [*Desk thumping*]

Mr. Vice-President: Hon. Senators, I think now is a good time to take the tea break, therefore this House will stand suspended until 5.30.

4.58 p.m.: *Sitting suspended.*

5.30 p.m.: *Sitting resumed.*

Mr. Vice-President: The Minister of Rural Development and Local Government. [*Desk thumping*]

The Minister of Rural Development and Local Government (Sen. The Hon. Kazim Hosein): Thank you very much, Mr. Vice-President. I am pleased to join in this 2020 budget debate. I want to sincerely thank the Minister of Finance, the hon. Colm Imbert, for his efficient delivery in this 2020 budget. This is his fifth budget under this PNM administration and he continues to steer the national economy onwards further stability, strength and growth. We on this side, Mr. Vice-President, we always put the right man, the best man for the job, [*Desk thumping*] and he is the best man for the job. He has taken this country out of perilous waters for the last four years and managed to bring us to this last year to a stable economy. [*Crosstalk*]

Hon. Senator: Last year. Last year.

Sen. The Hon. K. Hosein: This might be my last year but I am not sure for him. Mr. Vice-President, I would also like to thank the hon. Prime Minister, Dr. Keith Rowley, for his continued faith in me to serve as the Minister of Rural Development and Local Government. And I want to remind the public that this is the first time there has ever been a Ministry of Rural Development and Local

Government. Mr. Vice-President, this Government continues to prove its commitment to putting people first, time and time again. We have made it through very challenging economic times where we have certainly had to make sacrifices to reach where we are today to a more stable and economic future.

Mr. Vice-President, I was listening to the Minister in the Ministry of Finance and I took some notes here which is very effective and I should let the public know, and if you find I am repeating myself you can stop me, Mr. Vice-President. During the period 2010 to 2014 the average price of oil stood at \$77 per barrel, following the collapse of prices which led to a sharp decline in 2015 by 18.4 per cent and a further drop in 2017, which we saw oil prices at approximately \$56 per barrel, our economy seemed irreversible, but even with these demands in the oil and gas sector, Mr. Vice-President, this PNM administration, led by the hon. Prime Minister, Dr. Keith Rowley, continues to deliver on its promise ensuring that much needed goods and services are provided to the people of Trinidad and Tobago. Mr. Vice-President, despite the \$2 billion shortfall across all Ministries in fiscal 2018 to 2019, where all sectors of the Government felt the burden of financial constraint, we remain content and committed to serving all citizens with the financial availability. In fact, Mr. Vice-President, we did more with less consistently in the Ministry of Rural Development and Local Government.

Mr. Vice-President, there has been a saying for the last fiscal year, especially coming down to the end, that corporations were not getting releases and the reason for that is just what I explained here, it was across the board through all the Ministries. We did not have the money and the country has to know we did not have the money, and we did not spite anybody. We did not discriminate, it is just the money was not there to give to each corporation at the time. And with that also we managed to do 1,600 projects under drainage and irrigation; 1,300 projects

under local roads and bridges; over 200 recreational grounds were worked on; six crucial landslips through Ministries and the corporations. And, Mr. Vice-President, while they may say, “Nothing was happening in the last year”, I have a list before me where in different corporations, like Princes Town Corporation, 38 irrigation and drainage projects were done, and I could name them by street, I could name the projects, and I have the facts here. So I want people to know—I do not want them to say nothing was done in the Ministry of Rural Development and Local Government, things were done, irrigation was done, road works were done, and in all corporations things were done. I have the facts here and I know it will take up a lot of time, but I do not want the public to know that nothing was done and nothing was done because that was the mantra, we are spending money and nothing was done; things were done, projects were done.

Mr. Vice-President, I want to discuss about municipal policing. When we took office in 2015 the Prime Minister made a promise to the nation, to the country, that we would provide 100 police officers in each corporation, except for Port of Spain, which will have 200. When we came into office there were 216 officers in the 14 corporations, to date we have recruited 400 municipal police officers, and tomorrow morning we would be passing out a next 200, making it close to 700 municipal police officers, [*Desk thumping*] which will be added to the list of municipal police. Mr. Vice-President, it was remiss of me in my beginning not to mention my predecessor who I took over from and who had all this in train, and I am just carrying it through, and I want to acknowledge the Minister of Energy and Energy Industries and the former Minister of Rural Development and Local Government [*Desk thumping*] for the sterling work which he did, and I have taken up the mantle.

Mr. Vice-President, in the Port of Spain Corporation—and I want to read the

facts because people just say and say and think and say, “Nothing happening and you have no police officer here”, but today we have 112 police officers in the Port of Spain Corporation; 81 in Arima; 77 in San Fernando; 76 in Point Fortin, Chaguanas has 32; Diego Martin has 27; San Juan has 29; Tunapuna, 27; Couva, 29; Sangre Grande, 28, and the list goes on but it is improving. And I want to add here that the majority of officers being recruited are females, and these are the facts. Some might say—I was in the Standing Finance Committee in the other place and some people do not know how much municipal police is in their corporation, so I am bringing the facts here for you today.

Local Government, “as we wake up in de morning is local government, we are going to sleep is Local Government, you die is Local Government, everything is Local Government”. We at the corporation, which is 14 corporations, clean 170 cemeteries, and while we might take this as a simple thing, when you go to a cemetery and you are going with your loved one to bury your loved one and you go in there and you are seeing the grass six feet high, it is shameful. We have made a plea and it is happening, the corporation started to clean the cemeteries across the country, and they have a mandate because they are getting paid. They have wages and they do not expect anybody else to clean it but them.

On that fact, Mr. Vice-President, I want to say today that there is a management problem in this country, and I am seeing it, categorically, in the Ministry of Rural Development and Local Government within the 14 corporations. I do not want to attack anybody, but while I want to praise the administrative arm and the political arm, I want to point out that while some people work very hard, there are some people who just come there and just pass time.

Hon. Senator: A slacker.

Sen. The Hon. K. Hosein: That is it. And they are the ones that give the whole

corporation or the whole Ministry a bad name. Mr. Vice-President, they come to work at 7.00 and they leave at 9.30, 10.00; they have to have a supervisor, and if the supervisor does not supervise them—some of the CEOs come to work at 1.00, and I know that for a fact and that should not be. What example are we setting for the rest of the country? If it is one thing I want to accomplish in the Ministry of Rural Development and Local Government is to have productivity. And if I accomplish that, hiring the police and putting up street signs and taking down dilapidated buildings, and removing of derelict vehicles, and so on, that will continue, you see the productivity part of it, if I could accomplish that, and I am working on that for this last year, I think [*Desk thumping*] I would have achieved everything I want.

The simple thing like removing of garbage, for last year we removed 104 tons of household garbage, 200,000 loads of bulk waste. Approximately two-thirds of the drainage and watercourses were cleared because we at the local government level are responsible for minor drains and watercourses to be cleaned, the bigger drains and rivers are for the Ministry of Works and Transport. We have started a “whole-of-corporation” approach which if there is a problem in Tunapuna and they do not have the equipment and they need help, as we saw with the last flood, Penal/Debe Corporation came and they assisted and it went down very well, everybody appreciated, the workers were happy to come from Penal/Debe into Tunapuna, and likewise from Port of Spain, they went to help Sangre Grande. So we are using a “whole-of-corporation” approach and this will help the 14 corporations. Some might not have a backhoe or an excavator, some might have, and this will help, because we do not have the money. Let us face the fact, we do not have the money that we had before and we have to face this fact.

Mr. Vice-President, the banning of Styrofoam and plastics, I welcome this,

and I applaud the Government for making this happen from the 1st of January, 2020. And I saw we started right here in the Chamber where there are no more plastic bottles, and I applaud Madam President and the personnel here for ensuring that happen. Mr. Vice-President, I want to bring to the attention something very serious here. It is not a bomb, and it is not a bombshell because this is the place to—“they does drop bombs” in this Chamber, whether it is here or whether it is in the other place. But what I want to say, I have experienced something, illegal dumping is a very serious, very serious thing in our society today. I have been throughout the length and breadth of this country, in the floods, just visiting corporations, whether it is in Barrackpore, whether it is Sangre Grande, whether it is in Diego Martin; I have been throughout this country. I am a man on the ground and I consider myself to be a man of the people. The corporations work very hard, the police officers work very hard and we caught somebody dumping recently. We had the facts, they went to court; the charge was \$4,000 or six months imprisonment. When the person went to court he got a discount, he was charged \$1,000.

I mean, we cannot continue like that, because we are looking to solve this problem throughout the country and you gone to court and get charged—well, this is even worse now what I am going to tell you, this week, early this week or last week a corporation in this country was found dumping six or eight loads of household garbage in a particular area. They were caught—[*Interruption*]

Hon. Senator: A corporation?

Sen. The Hon. K. Hosein: Yeah, a corporation. We are supposed to be setting the example. They were caught, they went to court today, the charge was, I think, it was \$8,000, they pleaded guilty, and you know what happened—[*Crosstalk*] they let them off, correct. They were being lenient to them. So what example are

we setting for the rest of this country? We are telling them not to throw garbage into the rivers, do not throw any fridges and stoves, and what not, and we are going out of the way, the police, the municipal police, the officers at the various corporations, and when you catch them in the act and you charge them and you carry them to court, one get a discount and one was let off being lenient. It is a big question to ask. But I will not give up, I am going to take a note to the Cabinet where I am going to raise the fee from \$4,000 to \$15,000—

Hon. Senator: Not enough.

Sen. The Hon. K. Hosein: Not enough, but we are going to start somewhere. And from \$8,000 to \$20,000, we are going to raise it, and I am going to make sure because we have all things in place where we are telling them not to dump “no rubbish in no rivers”.

I remember the last flooding in Barataria up there, I went up there, and if you see the rivers down there, it was only plastics and mattresses, and the road flood four feet of water in people houses. I mean, we cannot continue so in this country, we cannot continue like this. And I am going to make sure, because everybody knows me—Minister Khan does call me “the action man”, I am going to ensure that we get through with this.

Mr. Vice-President, I have another matter on the cards here, and in 2015, again, the hon. Prime Minister was in Arima on a platform and he spoke about when he left the airport coming into Port of Spain there were no street signs; there were hardly street signs, and so on, and we took a stand and took the Note to Cabinet and it was passed, and through the 14 corporations they will have standardized signs throughout the 14 corporations. We got a costing for the signs throughout the 14 corporations and it came up to seven-point-something million, \$625 million. One sign costs \$1,443; we did all signs in Diego Martin, we did it in

Siparia, we did it in Rio Claro, and we are going to Sangre Grande next. So while some might say nothing is happening in the country, I could assure you in Local Government things are happening. [*Desk thumping*]

Mr. Vice-President, the Disaster Management Unit in the 14 corporations is the most effective unit at the corporation. We are the first responders for anything that happens, whether it is flood, whether they are looking out for volcanoes, because we had an incident in Piparo about a month ago. Everything that happens we are the first responders and the whole country could testify to it that the corporations are well equipped and well able to manage the disasters throughout the country. I have been out there with them, and I want to compliment the Disaster Management Unit at head office, headed by Mr. Jerry David, and the Disaster Management Unit and the 14 corporations, and they really assist the people of this country, whether they use dinghies, whether—and you know what they train people now to do, to help, when they need help concerning their house flood out, and so on. “Dey go dong dey and dey go with de dinghies and dey go with de trucks, and so on and bring out people.” We have shelters, and so on. So I want to compliment the Disaster Management Unit at the corporation and they are training people, they do CERT training. They are having an early warning flood system organized, and I want to say, they are doing a fantastic job.

Mr. Vice-President, one thing for sure that we going to accomplish is local government reform. [*Desk thumping*] It started under Minister Khan. He went through the length and breadth of this country, he had consultations, the people felt happy; they were obligated, they wanted to be part of this reform. I took over from him, because it was easy for me when he left because it was just a template to follow, and local government reform is a must in this country. Most people know I worked with this Government in Local Government for almost 40 years, I could

safely say, “I am Local Government and Local Government is me”, [*Desk thumping*] because I have worked as a checker from 1997 in a corporation. I have worked through most of the departments in the corporation, and then from there I worked in the garbage collection section, I worked in the sanitation, I worked in the engineering department; I worked in most of the departments, and then I went into—I was asked to become a councillor under the late Prime Minister, Mr. Patrick Manning, in 2003. I served as a councillor and then from there I met a gentleman by the name of Dr. Keith Rowley in 2010. I did not know him before, and I could tell you something, people does say Dr. Rowley is my friend, “Leaders doh need friends, leaders need people who could geh de job done”. [*Desk thumping*]

It is a fact, they need people who could get the job done. “We doh want nobody who does waste time”, look at Minister Khan, he left the Ministry of Local Government and he is doing wonders in the Ministry of Energy and Energy Industries. [*Desk thumping*] I could testify that. So under local government reform there are 10 pillars: Security of Funding, Executive Authority, New Responsibilities, Local Contractors, More Effective Municipal Policing, Disaster Management, Civil Society and Regional Development Plans. I will make this available because we are doing a roll-out plan from Ministry to go out to the corporations once more, let them know what is taking place because people want to know. But one thing I want to raise here today is the security of funding and each corporation will be responsible for collecting their own taxes, which is residential taxes. So they would not have to come and beg and ask for money for projects, and so on, they will be able to raise their taxes, and simple things like small drains and—like I was watching television some night, it was somewhere in

Couva, or somewhere, somewhere up on that side a bridge was damaged. It was affecting about 20 residents.

5.55 p.m.

They do not have to go to central government for that. They could raise their own money and fix that to help the 20 people who live in that area. So some people might not want property tax, but you have to raise your own funding, and the only way to raise the funding is to have the property tax. So we will get it done. And most of the councillors I talk to—I remember, and I could say safely, when the Prime Minister was sworn in as the Prime Minister, I heard him talking on television. He said he is the Prime Minister for the whole country, although he went up on a PNM ticket, and he won on a PNM ticket. But he said that he is the Prime Minister for the whole country. When I became the Minister of Rural Development and Local Government, in my mind I said I am going to be the Rural Development and Local Government Minister for the 14 corporations, which is the whole country.

I would not discriminate, whether it is a UNC-controlled corporation or a PNM-controlled corporation. [*Desk thumping*] And there is no corporation that could say I discriminate to them—none. They could meet me on the pavement outside and tell me that. [*Interruption*] Well, I cannot say meet them. [*Crosstalk and laughter*] Yeah, a pavement report—and nobody could say I discriminate with them. I have a relationship with them and they have a relationship—because I build that relationship. Now, the election bell has rung, so it would be a different thing now. I am going into election mode. I will be in my red, and we will be fighting each other. When we win the election—[*Desk thumping and laughter*]

Hon. Senator: You will get Minister for all.

Sen. The Hon. K. Hosein:—then I will be the Minister for all again. [*Laughter*]

But you all keep asking for election. You got the election now, and we will be fighting the election and we will win the election. [*Desk thumping*]

Mr. Vice-President, I want to just mention a little about CEPEP. When I went into the Ministry, CEPEP was under the responsibility of the Ministry of Rural Development and Local Government—because I do not go across the place saying I am the Minister for this and the Minister for that. I tell people I am working at the Ministry, because this is a temporary office I have. When we went in there we met a health sector debt of \$148 million that we inherited, which was for 34 health centres that were done under the previous administration. Today, I am pleased to announce that we brought in a quantity surveyor and 13 of the 34 contractors have settled to the tune of 18.87957910 million dollars. So we have saved this country \$48 billion so far. Five of the contractors are before the court.

Mr. Vice-President, somebody told me something last week, and it hit me, it dawned on me. You all know the kind of work that CEPEP does in this country? CEPEP does work beyond anything in this country, for the lowest pay. I drive through this country because I visit all the corporations. They come out to work at six o'clock. These are single mothers, retirees, people who have children, they cannot maintain the children and so on. I admire these people so much, eh, and I have a passion and love for these people so much. When they got that 15 per cent increase, which was the minimum wage of \$17.50, I was so happy for them.

If you go around the country and you talk to these people, these ladies and these men, and know how passionate they are about cleaning this country, because somebody has to clean this country, you know. Everybody cannot be politicians and lawyers and doctors and engineers, somebody has to clean. I started off cleaning. I started off cleaning Mr. Patrick Manning's office—that is where I started off. In 1971 I started to clean, I was a cleaner, and I am still cleaning up the

whole country. [*Desk thumping and laughter*] I am not ashamed to tell anybody I worked with rubbish trucks. There is no shame in it; somebody has to do it, and I am happy to do it. I was not fortunate enough to go to Harvard, but I have a good education, but somebody has to clean up, and I passed for my first choice, which was Naparima. I know Sen. Sobers passed for his second choice, Presentation College. [*Laughter*]

So, Mr. Vice-President, I am happy for the CEPEP workers. I want to say, just imagine, for one week CEPEP does not work, what would happen in this country—for one week? The highways, the byways, the schools, the churches, because they clean. They do not question anybody, and they are people you could talk to. “I going up Lady Young Road last week, going to a Cabinet meeting, and I stop and I come out my vehicle, and I just meet about 25 or 30 of them on de road”, and they were so happy to see me. “And they come out and they hug me up and bawling, ‘Yeah, yeah, yeah’”, and they were taking pictures of me. A little nobody like me and they were treating me like I am somebody, because these people are special, and we have to respect them and love them. [*Desk thumping*] I applaud this Government, and I applaud Minister Imbert for giving these people the increase that they deserve.

Mr. Vice-President, I could talk a lot, you know, because I know everything in local government. I know everything in local government. But I want to say, in closing, I would like to encourage all members of the viewing and listening public to aim high. Always remain humble. Always remember that anyone could reach where I reached—anybody. It does not matter where you come from. It does not matter—nothing like that, you could reach where I reached. I was a mayor, I became a Minister. I was a councillor, I was a labourer. So once you are determined, you work hard, you be honest, you talk nice to people, treat people

good, that is the key to life, you know. You treat people good. You “cyah” rough up nobody and expect to get anything done, you cannot. You will reach nowhere. “I does get rough up from some people on the opposite side, and de same people does rough me up”—no, not all, not all.

Hon. Senator: Say “some”.

Sen. The Hon. K. Hosein: And the same people who rough me “does” call me and say, “I want this do”, and I do not even hesitate, I “does” do it.

Sen. Haynes: “Who does rough yuh up on dat side?”

Sen. The Hon. K. Hosein: So I want to say that anybody could reach where I am. I want to encourage people who work in the corporations, people who work in the Ministry of Agriculture, Land and Fisheries, aim for the stars. I always like to push young people. I love to do it.

I said something last week, but I did not know it was a quote from somebody. I was talking to my colleague, Mr. Cummings, and I told him to become a good leader you must be able to be a good follower, and I could follow very, very well. [*Desk thumping*] I take instructions very well. Anybody tells me to do anything that is reasonable, and I could get it done, I will get it done. This is a quote from Barbara Kellerman. I did not even know that was a quote, I just said it, because all my life I have been following what people tell me to do—all my life, and that is why probably Almighty God has me where I am.

Sen. Baptiste-Primus: Amen!

Sen. The Hon. K. Hosein: Amen. Mr. Vice-President, permit me to share with this honourable House and all the citizens of our beloved country the qualities of a distinguished leader, a leader who has made a great impact on the lives of all people in Trinidad and Tobago—

Hon. Member: Just “doh” say Rowley after that.

Sen. The Hon. K. Hosein:—the hon. Dr. Keith Rowley [*Desk thumping*] the Prime Minister of Trinidad and Tobago. His responsible leadership has led this country towards moving away from corruption in government—

Sen. Obika: “He’s ah sell out!”

Sen. The Hon. K. Hosein:—to one of transparency. I want to repeat it: His responsible leadership has led this country towards moving away from corruption in government—

Sen. Obika: Oh, God no, doh say dat!

Sen. The Hon. K. Hosein:—to one of transparency, accountability, value for money. [*Desk thumping*]

Mr. Vice-President: Minister, you have five more minutes.

Sen. The Hon. K. Hosein: And one who promotes effectiveness and efficiency at all levels. His many decades of service to Trinidad and Tobago at the levels of constituency, Parliament and the Executive, has seen transformation of attitude towards responsible behaviour in government, and throughout our communities, in particular, his leadership as Prime Minister of our twin island. He is a leader that all of my colleagues and I continue to look up to, rally around and admire, a true servant with a heart for the people who continues to serve without fear or favour, affection or ill will, a man who stands for inclusion of all people in Trinidad and Tobago.

Hon. Senator: Only 1 per cent.

Sen. The Hon. K. Hosein: We continue to support your resilient leadership, hon. Prime Minister.

In closing, I would like to wish the hon. Prime Minister—

Sen. Obika: Farewell.

Sen. The Hon. K. Hosein:—the hon. Dr. Keith Rowley—my friend is saying

farewell, but he will be here for the next five years. Dr. Rowley will be here for the next five years.

Sen. Mark: “He wishing him farewell.”

Sen. The Hon. K. Hosein: I want to wish the hon. Prime Minister—

Sen. Mark: Goodbye.

Sen. Obika: That was a good eulogy.

Sen. The Hon. K. Hosein:—happy birthday. [*Desk thumping*] I want to wish him good health with long life. May Almighty God continue to protect him and guide him in office.

Hon. Senator: Protecting him from “de” UNC.

Sen. The Hon. K. Hosein: Protect him and guide him. May he protect his family, and I want to wish him many, many more happy birthdays. [*Desk thumping*]

With these few words, Mr. Vice-President, I will continue to serve this country until my time is up, because none of us here has a crystal ball. None of us know what our future holds. While I do not have a crystal ball, I could see the PNM winning the local election and the next general election. [*Desk thumping*]

Sen. Obika: “It have a PNM in St. Lucia, yuh know.”

Sen. The Hon. K. Hosein: Mr. Vice-President, my colleague, my friend on the next side, Sen. Mark, as I said, always calls for elections, and elections are here. We will have a clean and fair fight and we will win the next local election and general election. [*Crosstalk*]

Hon. Senator: And the UNC will lose. [*Crosstalk*]

Mr. Vice-President: Sen. Mark, if your back is to the Chair, you cannot see when the Chair is standing.

Sen. Mark: Sorry, Sir.

Mr. Vice-President: Minister, you have ended? You have ended the contribution?

Sen. The Hon. K. Hosein: I am happy to serve and I will continue to serve this country. [*Desk thumping*]

Sen. Dr. Lester Henry: Thank you, Mr. Vice-President, for inviting me into this debate. I actually thought I would be speaking at some time closer to 10o'clock tonight. I kind of got a little bit pleasantly surprised. I am not complaining that we have reached this juncture at a considerably earlier time. A lot earlier time than I had expected. But nevertheless, let me take the opportunity to throw in a few comments on this budget.

First to begin, Mr. Vice-President, one of the reasons the debate has been kind of sober so far in terms of, you know, not too much drama and so on, is that the budget was actually quite well received by the public. [*Desk thumping and crosstalk*] Yes, there was not much. And even some of the severe critics of the Government actually complimented the Minister of Finance for presenting what was clearly a very responsible approach to fiscal policy, and to the handling of the finances of the country. So I think that is one of the reasons why, apart from the normal theatrics and so on, we have not had quite an explosive session as of yet. I do not know what will happen tomorrow, but so far I do not think, because many people realized that the budget was well measured in terms of keeping the economy afloat, as best we could, given the constraints, and also in not going overboard by spending too much. But we must spend in order to keep the economy going. If you withdraw completely, as many people advised the Government to do back in 2015, when we came in, to cut the spending from the 62/63 billion down to 44 billion in one year. Many people wanted a shock treatment, but really and truly that would not have made sense, because you would have crashed the economy, create a lot of dislocation, and it would not have been good for the average person.

So the process of adjustment has to take place over time. So you bring down the spending gradually to be in line with your normal expected revenue over some five, six-year period. You cannot just do it in one go, and that was the sensible and responsible thing to do. But also, governing from an economic point of view, also entails the ability to make some hard decisions, to cut spending to take care of excess waste in the system.

One of the faults and one of the main things I complained about with the past government while I was on that side, was that they did not show any tendency to make any hard decisions. Everything was always good. Their budgets were always feel-good sessions. No attempt to raise any taxes, no attempt to raise any revenue, and so on, just come and say, "Okay, we are going to increase this, increase that", and everybody thump their desks and say all well and good. But then in the face of collapsing revenue, how long would you have been able to go on with that, as many of the speakers pointed out. With the collapsing revenue, you would not have been able to carry on like that, and everyone knows that. I think that is what is reflected in some of the public comments about the budget, that people understand the difficult position that the current Government found itself in, and they appreciate the relative straightforward and open way that we have dealt with the country's finances.

So I compliment the Minister of Finance, and of course by extension the hon. Prime Minister, for taking this approach. And it has paid dividends for the country, in the sense that the amount of dislocation could have been a lot worse if we had followed a different path.

Now, I want to use this opportunity here to respond to a couple of issues and to elaborate on it that two of the Independent Senators made reference to. Sen. Deonarine made reference to the issue of the borrowing that the Government has

been engaging in. There are several issues that came up in that contribution. I think overall the contribution was good by Sen. Deonarine, and also the analytical content.

Sen. Ameen: “Senator Haynes fool ya.” [*Laughter*]

Sen. Dr. L. Henry: Yes, yes. [*Interruption*] That is what you call it, a presentation? The analytical content was good, but I would just outline a couple points of disagreement.

She mentioned the issue of borrowing on the local market as opposed to borrowing on the foreign market, and the issue of crowding out when the Government borrows a lot in the local economy, that there is less money for the private sector. That does not apply in Trinidad and Tobago, because we have excess liquidity, perennial excess liquidity. In fact, the latest figure was about 4.5 billion just a few days ago in the banking system. Depending on how you measure excess liquidity, it could go up to as high as \$20 billion, and that is not my figure alone. Yes, depending on the measure. Average during the time of the former government was about \$7 billion to \$8 billion on average in excess liquidity.

The figure I quote of 20 billion came from the UNC Minister of Finance, Larry Howai—so, depending on how you measure it.

Sen. S. Hosein: A real Minister of Finance.

Sen. Dr. L. Henry: What I am saying is that the issue of crowding out does not apply in our type of economies, especially Trinidad and Tobago. In fact, there is a lack of investment opportunities for anyone wishing to save money and put it somewhere where they can earn a proper rate of return. Hence the Government has gone into the markets, issued bonds and so on, which pay fairly reasonable rates of return, and people rushed to it. So that is why NIF and all of that was oversubscribed, because people really do not know what to do with their money.

Now, it raises a separate issue of if you have all this excess liquidity in the system, and so on, what is going to happen. Interest rates on your deposits in the banks are generally very low. The alternative, since we have an open economy, is for people to take their money abroad, which comes to my area of study for many, many years, the issue of capital flight. People look at interest rates outside and see what they could get. But fortunately, since I am on the issue of it, I will mix the two issues of excess liquidity and debt.

Because of the international problem going on right now in big countries like the USA and in Europe where interest rates are very, very low, it is good for us. Historically very, very low interest rates are taking place right now, and that is good for us for two reasons. One, we can borrow, if we choose to borrow, on the international markets at very low rates. So even borrowing, if the Government chooses to borrow this year, next year, on the international markets, it is actually a good thing. This is about the best time to borrow on the international markets in a long time.

Just to give you an idea of what I am talking about internationally, the 10-year Government bond yields, this is from Bloomberg: United States, 1.76 per cent; Canada, 1.5; well, Brazil as emerging economies, their rates are higher, 6.52. But when you go to Europe and so on, the 10-year yield Germany, minus .40; in France, minus 10. So you actually have a negative interest rate. This is the reality of what is happening in the global economy in terms of that.

Now, what that is causing is big investors in some of those countries are looking for positive returns, so they are flooding to emerging markets. So they flood, they rush to emerging markets and they are willing to lend governments like ours lots of money. I am sure there are lots of proposals coming in all the time. We can lend you money for this, we can lend you money for that, and so on. In

fact, it also creates an opportunity for refinancing. You could borrow at these low rates and refinance older debt from the '80s and '90s and so on, which were taken out at interest rates, 7, 8, 9, sometimes as high as 11 per cent, and still on the books and we are still paying it, because they were 30-year or long-term loans. So, in fact, this was being discussed at a meeting of the World Bank last week. That is how I got the idea to discuss it tonight. Yes, I am in tune. [*Laughter*]

If you take the global setting—in fact, I am also due to go to a seminar on the implications of these global financial markets right now and the impact on Latin America and the Caribbean, in two weeks' time in Chile. So, the situation presents us with a—thing.

Now, the Government has chosen not to borrow a whole lot, even though the external interest rates are relatively good, compared to historical rates, and that is because we want to show that we can contain ourselves and not go and increase the debt-to-GDP ratio too much. It stands at roughly about 63/65 per cent somewhere there, and we would like to keep it within check, and that is being responsible. Given the economic difficulties that we face, it could easily be justifiable to borrow more. Many countries around the world do it. In fact, they all have done it. So our debt-to-GDP ratio is still relatively modest, compared to most countries in the world, even some of the big ones that we admire.

So part of it is that we are in a difficult situation with how we allocate our funds here in terms of the private sector, especially when people say we have to afford them some type of investment instrument, for them to feel that this makes sense. Otherwise what you get is the switching to just needless consumption, because people decide, I am making 1 per cent or minus something per cent in the bank. In fact, even now you might be even getting a negative interest rate on some of your accounts.

Now, the issue of negative interest rates is something economists in the developed world are dealing with right now, the true implications of a policy where the interest rate is negative. That was unheard of in my days in school in economics. You never had to contemplate even the idea that interest rates could be negative. What it means really—but there are two sides to this, your deposit rate and your lending rate. When they say interest rates are being negative, it is more like deposit rates to me and you. Because if the lending rate is negative, it means you are paying the bank less money than they lent you, and you know that “eh” happening, especially not here. But when they are talking about negative interest rates, they are talking about on deposits, really.

For some time now I have had discussions with some of my colleagues about the issue about negative rates, because when interest rates get close to zero or very, very low here in Trinidad and Tobago, we could effectively have negative interest rates as well, because of the fees. By the time you deduct all the bank fees and so on, you could effectively have a negative rate. So we would like to avoid that, because you really want to give people an incentive to save. Otherwise the alternative, as I said, is just useless consumption. I am not getting enough money in the bank, I will go and buy another car, or another TV or microwave, or Carnival costume, something.

So when you have a situation like that, it presents a particular challenge for monetary policy. But the good side to it is that monetary policymakers around the developing world or emerging markets can use the opportunity to refinance to get international loans at a very reasonable rate.

6.25 p.m.

The next issue I want to deal with is the issue of the overvalued currency that was mentioned two times.

Sen. Gopee-Scoon: In their manifesto.

Sen. Dr. L. Henry: I do not know who advised them to put that there, but the issue of an overvalued currency is something that I have been grappling with in my professional life for about 25 years. This came up from since I was doing my PhD dissertation, and I could talk about it with some authority. There is really no genuine basis for establishing whether a currency is overvalued or not, despite what the IMF says or despite what the World Bank says. Okay? It has a lot of innuendo and politics behind saying a country's currency is overvalued, and I think one of the best decisions this Government has made is to maintain the stability [*Desk thumping*] of the exchange. [*Crosstalk*] Yeah.

And I have students who I taught who are now working at the IMF and sundry other places, and all of them agree that that stability of the exchange rate was much more important than any perceived gain, and only perceived gain from the devaluation, because when we came in a lot of people thought that we were "taking basket" and devalue to about seven or eight, and you know what they say, "Well oh, that is the street market rate" or so called black-market rate, "So devalue to that". And I have spoken about that several times in this Chamber both in Opposition and I think, at least, once on this side, where that really does not make any sense. Right?

I gave the experience about being in Guyana when their currency was \$10 Guyanese to one, and you could go down to a place called "Wall Street" and buy US, you could sell your US, \$33 Guyanese dollars, come back with a whole wheel barrow. Right?

Again, so the Guyanese Government went and devalue to 35, the street market rate went to 60, and then a few years they "took basket", again, and they devalued to 60. It went to 100, and right now it is settled at about 205 or

somewhere there Guyanese dollars to one US. It did not make any sense, it took them about 15 years to come to their senses. We did not do that. In fact, the Central Bank people in Guyana tell me that they finally learnt to handle it by looking at what Trinidad did; and the same in Jamaica and so on.

On the other hand, we also could have learnt from Barbados who kept theirs two to one all the time, never changed it. And if you want to get run out of Barbados, go tell them to devalue. Right? And for many, many years, Barbados was ranked as the highest, as number one, in terms of human development index among developing countries with a so called overvalued exchanged rate. Right? It has nothing to do with that.

The more I travel between here, England or America and so on, these things are heavily politically loaded with an ulterior motive. Right? These things are generally set up like the colonial legacy to get goods cheap to residents in the developed countries but at low prices so they could go to Walmart and Kmart and feel nice, and for variety you go to Target. This is what the whole international system that puts the advantage with the so-called “developed world”, is to keep your currency suppressed so they always have a nice, easy life, and their citizens, and some of us admire it, so we run up to New York and Miami and buy a whole bunch of stuff and we say, how lucky these people are, they get things so cheap, but it is part of an international system that is set up that way, and if you do not realize that this is what it is, you fall right into the game and you get into a situation where you keep devaluing, devaluing.

And, of course, I could make the standard arguments which many people know as to why devaluation does not mean much to countries like ours, the whole issue of, we do not export anything to the outside world that is affected by devaluation. Oil is traded in US dollars, so we could devalue till the sun burns out,

it makes no difference to how much we could sell. Our manufacturing sector benefits a little bit through the Caricom market, but our exchange has traditionally been lower than theirs so it has worked out. There is no need for any further devaluation. Right?

And, of course, there many people in the country who have an ulterior motive who think well, okay, if we have seven to one now and we could convince the Government to carry it to 15, or let us say 14, they could double their earnings on every US dollar that they took out from before, bring back very quickly. You know, if you could get 14 to one and you have a, well let us say a US 5 million outside; that is a lot of dollars, TT dollars.

Sen. Obika: They devalued by 7 per cent over the last four years.

Sen. Dr. L. Henry: So they will clean up, of course, as they did in 1993 when the dollar was floated, the difference between the pre-float rate which was about 4.50 on the Friday evening, 4.50 to one US, and on Monday morning you wake up and it was 5.75, a \$1.25 for each US dollar you could have made. Right? And some people really cleaned up on it, I would not call names, but there are some people who really made a killing on that. Right? And it is the same kind of thing that they are planning for right now. They want to—so I speak, businessmen come and they ask me, the few that I know, I do not know many, but you know, are saying, you know “So when is the Government going to devalue? When is the Government going to devalue?” And I say, “Well I do not think so, you know, do not hold your breath”. And I ask them, I say, “Devalue to what end”? Right? “So that you could bring back some of your US and make plenty money? And they say, [*Member mumbles*], and I say, “Yes, I know that is what you want”. Okay?

But I said, “Then where will you go after? You plan to migrate after you destroy the country”? What that whole end game? That you bring back your

money, you make a few extra dollars and what? And when the poor are people suffering and they start to get on bad, you jump on a plane and go Miami? Is that what you are advocating?—clearly not.

So the issue of the exchange rate policy of the Government, we have allowed it to slip a little bit, which is no problem, but the major devaluations that some people expected and some people are begging for—and, you see, the problem with devaluation is that it becomes a self-fulfilling prophecy after a while in many cases, if it is not handled properly, because once you have many people calling for devaluations, it puts pressure on the system because expecting devaluation, so they start behaving in a particular way.

Hon. Senator: Good point.

Sen. Dr. L. Henry: Right? And that creates pressure, so they start already saying, “Oh we will buy at eight to one, we will buy at 10 to one,” you know, the murder rate, and that further complicates issues. So if you have that—so the best way to deal with that is just like when you have hyperinflation and so on, the best way is just make a dramatic decision and stick to it. Once you start being wishy-washy and so on, you end up in trouble, and we have learned that from the experience of many developing countries who were not strong enough in their resolve to say, “We are maintaining a particular rate, and nothing you say is going to change it”, that is what you need to do. Any time they catch you waffling, you gone through.

And Guyana, Jamaica went through that, now despite all of the hoopla that the same stuff in the economic books about over devaluation and stuff is still there, but how come they settle at 205 in Guyana and about 100-plus in Jamaica? And these people from the IMF and the World Bank and so on who preach this, I went to school with a lot of people like that. A lot of them do not know what they are talking about. And you see, we have to look at our own reality and figure what is

the best policy for us.

Let me just quickly deal with the issue of diversification because, as you see I could talk about one topic for the rest to evening, but seriously, the problem with diversification and the people who are saying, “We need to diversify”, as I have said before, it is not an easy thing to do. People act as though you can get up and diversify an economy in the morning. No, it does not matter. This country has had several major attempts at diversification beginning back in the '60s, and a lot of younger people do not know that. There was all that import substitution, industrialization and stuff that was tried under Eric Williams when this country used to produce TVs and assemble cars and all of that; and what happened to it?

Sen. Obika: That was a bad era.

Sen. Dr. L. Henry: Okay. There was a time when all of that was tried, and not only here, in Barbados, St. Lucia, and Jamaica. Many of you might be old enough to remember the Caribbean Basin Initiative under Ronald Reagan. That was the whole idea, to get the Caribbean to export things that they traditionally did not export like sugar and tourism and so on, get them to diversify their economy.

If you read the CBI documents, that is what it was about, all the ease up on the tariffs and so on was supposed to be on things that you did not normally produce to encourage a certain level of diversification. St. Lucia, Jamaica, Barbados stood out as countries in the region who tried to break away from tourism, and it all failed. It lasted for a little while, it looked good and so on, and I could go into the reasons why it failed, but it is not that easy, and it is not because they are stupid or not because they did not try, it was because the reality of the world economy is very, very different, you know.

When Jamaica started to produce light textiles, T-shirts, and so on at a particular cost, nobody catered for China, and then China just came up and started

selling the same T-shirt. You think you are selling cheap for \$1, they tell you, “We will give you 10 for that same \$1”. How could you compete with that? And it is not because you did not have the brains, it has nothing to do with your education or anything like that. That is the reality; that is competition. And the Chinese were able to do it better than anybody else because of their own reasons to out produce everyone else in terms of textiles and light manufacturing at a very low cost, and they “lick you up”, nothing to do with the people in Barbados or Jamaica. Right? So it is very difficult.

And in our country we have had a lot attempts now at trying to get things going. We have diversified somewhat in terms of within the energy sector going from oil to—strictly oil, to LNG and then some fertilizer, urea and so on, some of the plants down at Point Lisas which is good, at least, it is some progress.

And, of course, with the manufacturing sector and the success we have had, as I mentioned in the Caricom market. Right? So there has been some movement. We have not gotten it perfectly right, and some of the successes have been very limited, but it has not been because of not trying, as is publicly shouted all over place. And every time I hear some of my colleagues talking about it, I am like, oh come on, you know better than that, you know; they know. Right?

And as though, that is why when it is so difficult is diversifying into what? And somebody says, “Well, [*Member mumbles*]”, and they start to mumble under their breath all of a sudden. Right? Places like Dubai and so on and these places that somehow they are able, I mean, they did that with hundreds of billions of US, absorbing huge costs to produce things that they did not normally produce. So it not that easy, and my point is that it is not that easy and it has been tried. So there is the mistaken notion that we did not try, is just not correct—okay?—historically and going back a long way.

In fact, on the issue of diversification, I was looking at the Summary Economic Indicators Bulletin of the Central Bank, the latest one just from a couple months ago, and they actually have a diversification statistic, many of you may not know of this, I was surprised by it myself. And they have the petroleum sector as a per cent of GDP and they have it for 2014, 35 per cent; '15, 23; 2016, 9.6 and so on. So if you go by this petroleum sector it is becoming less important which is a good, that shows diversification but, of course, there other are stories behind that. But if you just go purely by that, you could say some diversification seems to be taking place and, again, it depends on how you measure things, as many of my colleagues would know in their fields. Right? So, yes. In fact, non-petroleum sector to GDP ratio, in 2014 they have a 63.2 per cent, '15, 73 per cent, 78 in 2016, 75.9 in 2017, that is the non-petroleum sector.

So if you take the Central Bank's statistics, [*Member raises document*] it would end the diversification debate immediately. [*Crosstalk*] Well, of course—what? Oh, sorry I cannot brandish. [*Crosstalk*] No. No, of course not. I was joking, Sen. Richards. No, but seriously, but if they go strictly by that, that is why I said there are other factors behind those numbers that would explain why that is happening. But what I am saying, if you go strictly by those numbers, it is a positive development. Right?

So, of course, the diversification issue is something that will be with us for a very long time to come, we can put things in place. I agree with some of the people who called for putting things in place towards diversification, but we are constrained by not only local issues, but also by international issues, and your best laid plans could come to nothing if the global environment changes in a direction that you did not expect. So if you planned to go into diversification in a product in particular market, and next thing that market disappears or has become closed to

you, nobody would have predicted the extent of the trade wars going now between the Americans and Chinese.

Sen. Obika: We should create a nation of entrepreneurs. That is what they did.

Sen. Dr. L. Henry: Right. And, you know, many people would not have figured that a president would have been so boldfaced as Donald Trump has been to take on the Chinese like that, and be so disruptive to the world markets. Who would have predicted that? So therefore, we must be measured in terms of what we expect any government to do in terms of diversification.

I did not plan to use up my time, and I realize that it is almost there. With these few words, thank you very much, Mr. Vice-President. [*Desk thumping*]

ADJOURNMENT

The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan): Thank you very much, Mr. Vice-President, I still reserve my contribution to later in the proceedings, so do not get me wrong. [*Laughter*] Mr. Vice-President, I beg to move that this Senate do now adjourn to Thursday October 24, 2019, at 10.00 a.m.

Question put and agreed.

Senate adjourned accordingly.

Adjourned at 6.43 p.m.