

SENATE

Wednesday, December 10, 2019

The Senate met at 1.30 p.m.

PRAYERS

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



LEAVE OF ABSENCE

Mr. Vice-President: Hon. Senators, I have granted leave of absence to Sen. The Hon. Paula Gopee-Scoon who is out of the country and to Sen. Sophia Chote SC who is ill.

SENATORS' APPOINTMENT

Mr. Vice-President: Hon. Senators, I have received the following correspondence from Her Excellency the Acting President, Christine Kangaloo.:

“THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

By Her Excellency CHRISTINE KANGALOO, Acting President of the Republic of Trinidad and Tobago and Commander-in-Chief of the Armed Forces.

/s/ Christine Kangaloo

Acting President.

TO: MR. NDALE YOUNG

WHEREAS Senator the Honourable Paula Gopee-Scoon is incapable of performing her duties as a Senator by reason of her absence from Trinidad and Tobago:

NOW, THEREFORE, I, CHRISTINE KANGALOO, Acting President as aforesaid, acting in accordance with the advice of the Prime Minister, in exercise of the power vested in me by section 44(1)(a) and

section 44(4)(a) of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you, NDALE YOUNG, to be a member of the Senate temporarily, with effect from 10th December, 2019 and continuing during the absence from Trinidad and Tobago of the said Senator The Hon. Paula Gopee-Scoon.

Given under my Hand and the Seal of the Acting President of the Republic of Trinidad and Tobago at the Office of the President, St. Ann's, this 09th day of December, 2019."

“THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

By Her Excellency CHRISTINE KANGALOO, Acting President of the Republic of Trinidad and Tobago and Commander-in-Chief of the Armed Forces.

/s/ Christine Kangaloo

Acting President.

TO: MS. ZOLA PHILLIP

WHEREAS Senator Sophia K. Chote S.C., is incapable of performing her duties as a Senator by reason of illness:

NOW, THEREFORE, I, CHRISTINE KANGALOO, Acting President as aforesaid, in exercise of the power vested in me by section 44(1)(b) and section 44(4)(c) of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you, ZOLA PHILLIP, to be temporarily a member of the Senate with effect from the 10th December, 2019 and continuing during the absence from Trinidad and Tobago of the said Senator Sophia K. Chote, S.C. by reason of illness.

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 10th day of December, 2019."

AFFIRMATION OF ALLEGIANCE

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

OATH OF ALLEGIANCE

Senator Zola Phillip took and subscribed the Oath of Allegiance as required by law.

FINANCE BILL, 2019

Bill to provide for the imposition or variation of certain duties and taxes and to introduce provisions of a fiscal nature and for related matters [*The Minister of Finance*]; read the first time.

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

Question put and agreed to.

PAPERS LAID

1. Ministerial Response of the Ministry of Finance to the Sixth Report of the Joint Select Committee on Finance and Legal Affairs on an inquiry into the Implementation of the new Public Procurement System. [*The Minister of Public Administration and Minister in the Ministry of Finance (Sen. The Hon. Allyson West)*]
2. Financial Obligations (Amendment) Regulations, 2019. [*Sen. The Hon. A. West*]

3. Delegation Report on the 64th Commonwealth Parliamentary Conference, held in Kampala, Uganda, from September 22-29, 2019. [*Sen. Wade Mark*]
4. Ministerial Response of the Ministry of Housing and Urban Development to the Seventeenth Report of the Public Administration and Appropriations Committee on an Examination into the expenditure and internal controls of the East Port of Spain Development Company Limited. [*The Minister of Agriculture, Land and Fisheries (Sen. The Hon. Clarence Rambharat)*]
5. Ministerial Response of the Ministry of Agriculture, Land and Fisheries to the Twentieth Report of the Public Accounts (Enterprises) Committee on the Examination of the Audited Accounts, Balance Sheets and other Financial Statements of the Palo Seco Agricultural Enterprises Limited (PSAEL) for the financial years 2012 to 2017. [*Sen. The Hon. C. Rambharat*]

ARRANGEMENT OF BUSINESS

The Minister of Agriculture, Land and Fisheries (Sen. The Hon. Clarence Rambharat): Mr. Vice-President, I crave your indulgence, the two urgent questions are directed to the hon. Minister of Finance. He is on his way and I am asking that these two questions be stood down. I expect him here in a few minutes. Thank you.

Mr. Vice-President: Hon. Senators, this item on the Order Paper would be stood down until the arrival of the Minister of Finance to whom the questions are directed.

ORAL ANSWERS TO QUESTIONS

The Minister of Agriculture, Land and Fisheries (Sen. The Hon. Clarence Rambharat): Mr. Vice-President, there are three questions on notice for response today, and the Government will be responding to all three questions.

Chaguaramas Hillside

(EMA Approval of Excavation)

16. Sen. Wade Mark asked the hon. Minister of Planning and Development:

Given the excavation of the Chaguaramas Hillside behind the O2 Park, can the Minister indicate whether said excavation has been approved by the Environmental Management Authority?

The Minister of Agriculture, Land and Fisheries (Sen. The Hon. Clarence Rambharat): Mr. Vice-President, I rise to respond to this question on behalf of the Minister of Planning and Development. I thank the Senator for the question. Mr. Vice-President, in answer to the question, the EMA is aware of this particular project. It was a project for which a CEC was applied for and CEC number 4096 of 2014 was issued to O2 Park, and that CEC was to cut and grade with a gradient of 1:4 an area behind the area occupied by O2 for the purpose of slope stabilization. So in response to the question, the project has been approved. A CEC has been issued. The EMA is aware of the project and the project is to do work relating to slope stabilization at the site occupied by the O2 Park.

Mr. Vice-President: Sen. Mark, supplemental.

Sen. Mark: May I ask the hon. Minister through you Mr. Vice-President, whether there has been any breaches or violation of this CEC granted to this particular development?

Sen. The Hon. C. Rambharat: Mr. Vice-President, in April 2015 the holder of the CEC indicated to the EMA that it intended to seek certain modifications of the CEC, but to this date no modification has been sought. However, in April 2019 there was a newspaper report relating to the observation of someone, a member of the public, who had been in the area, and the report dealt with what appeared to be significant slippage on the site, and upon investigation the EMA determined in consultation with the occupant of O2 Park, that there had been a landslide in the

area, and the area was particularly vulnerable to landslides because of the absence of vegetation, and the occupant had taken steps to deal with the slippage that occur. Some of the material had been removed. In fact, Mr. Vice-President, I should have said from the outset the O2 Park is under the jurisdiction of the Chaguaramas Development Authority, for which the Minister of Planning and Development is the line Minister, and the O2 Park operates under the powers of the Chaguaramas Development Authority. The material was removed and in fact used by the CDA in some road works. And what the occupant is dealing with down there, is this issue of land slippage and the need to control what is happening on the slope. Thank you.

Mr. Vice-President: Next question, Sen. Mark.

Migrant Workers Exposure to Sexual Harassment

(Legislation to Address)

17. Sen. Wade Mark asked the hon. Attorney General:

In view of the frequent exposure of migrant workers to sexual harassment, can the Attorney General advise as to when will legislation be brought to Parliament to address the issue of the sexual harassment of this category of worker?

The Attorney General (Hon. Faris Al-Rawi): Thank you, Mr. Vice-President. Mr. Vice-President, on March 08, 2019, Sen. the Hon. Jennifer Baptiste-Primus, Minister of Labour and Small Enterprises Development laid in Parliament a policy paper entitled: “A National Workplace Policy on Sexual Harassment in Trinidad and Tobago”. This policy treats with, among other things, sexual harassment of migrant workers since the policy states that any worker or employee can be a perpetrator or a victim of sexual harassment which may occur.

1.45 p.m.

The Government of the Republic of Trinidad and Tobago takes all allegations of sexual harassment seriously, and is committed to providing information, resources and clear direction to all members of staff and stakeholders, both internally and externally, so that together we can help prevent and address this conduct. All persons in Trinidad and Tobago, all members of staff in every workplace are required to treat others with dignity, courtesy and respect.

Sexual harassment is any physical verbal or non-verbal conduct of a sexual nature, and other conduct affecting the dignity of the individual which is unwelcomed, unreasonable and offensive to the recipient, and where a person's rejection of or submission to such conduct is used explicitly or implicitly as the basis for a decision which affects that person's job, it is specific and a serious form of harassment which can lead to a hostile work environment. All employees have the same rights and responsibilities in relation to sexual harassment.

Accordingly, as Attorney General, I established a working committee to draft legislation to treat specifically with sexual harassment, and the first meeting was in fact held on November 13, 2019, with the Attorney General's Office, Chairman of the Equal Opportunity Commission, representatives of Gender and Child Affairs, the Office of the Prime Minister, Law Reform Commission, Ministry of Labour and Small Enterprise Development and the Trinidad and Tobago Coalition Against Domestic Violence as well as several representatives of other NGOs, including the Trinidad and Tobago Coalition Against Domestic Violence subset representatives at our offices at the Ministry of the Attorney General.

The working committee aims to complete the draft legislation in line with the National Workplace Policy on Sexual Harassment for key stakeholder review and comment in the shortest period of time and with a view to introduction in this

Fifth Session of the Parliament. Thank you, Mr. Vice-President.

Sen. Mark: Mr. Vice-President, can I ask the Attorney General whether there is an inextricable relationship between the Minister of labour and the Attorney General in promoting this particular matter of sexual harassment since the original policy was presented by the hon. Minister of labour on sexual harassment? So whether there is working relationship between the two parties.

Hon. F. Al-Rawi: I thank the hon. Senator for the question. Yes, of course, there is a combined effort approach, policy prescription having been provided by the Ministry. A matter of serious moment was the laying of this policy, and my colleague the hon. Minister of labour has done yeoman service to the cause to ensure that this scourge is dealt with in a very conclusive and broad-based point. I invite all Senators to reflect upon that excellent policy work that came.

The writing of legislation is the Office of the Attorney General. We did not want to approach this without the stakeholders at the table at the same time. So we have brought the NGOs on to the table. I can tell you that we have, in fact, already settled upon the formula of law. We have looked at the model precedence, we have looked at Caricom jurisdictions, in particular. We have a first draft of the legislation up already. I expect all things being equal, over this short break to appear over Christmas to, in fact, be in a place to complete the work in rapid form. My ambition is to ensure that we have legislation here as quickly as possible and, hopefully, as soon as by January, all things being equal.

We have obviated the need for drafting and then send out, et cetera, by bringing all of the persons and representatives on the table. And yes, it is the Minister of labour who took such passion in this product to ensure that it was driven the way it has been driven, and that is why we have representation from that Ministry sitting on the drafting team as well.

Sen. Mark: Attorney General, can you inform this Senate what legal and/or other options are available to migrant workers, particularly the female migrant workers who might be exposed to unnecessary and aggressive sexual harassment by persons in this society? What are the options available?

Mr. Vice President: Sen. Mark, I would not allow that question. Next question.

Sen. Mark: Okay. Can I ask the hon. Attorney General to indicate—I know he said it will be as soon as possible—how many consultations would be held by the Attorney General prior to the formal drafting of the legislation to be brought to Parliament for consideration?

Hon. F. Al-Rawi: Mr. Vice-President, the Ministry of labour has already done a very wide-scoped consultation process which has captured all of the policy. The stakeholders, in fact, have commended the policy. They say, “Look, you are spot on.” It actually relates to something the hon. Senator mentioned a little while ago by way of a proposed supplemental question. There are two forms in the policy which are driven here which come from the stakeholding. There are two avenues of addressing that are immediately available; obviously under the industrial relations formula, the Ministry of labour combination and then Equal Opportunity Tribunal. All workers are workers, whether they are migrant workers, local workers and international workers. They fit into the same bracket and, therefore, have the same rights because they are subjected to the Trinidad and Tobago jurisprudence.

So there has been an open agreement that the formula that has been proposed by my colleague, the Minister of labour, is a good working formula. The question right now is which approach we take, and that affects the consultation. The approach appears to be bifurcation between the industrial court and the equal opportunity courts, because you really want to go with something that is working

already, not necessarily having to reinvent the wheel.

So we expect to get this product out with alacrity. Certainly the consultations will continue in the cycle of production, but we are going to bring this to Parliament as soon as possible. My own personal intention is to pitch for the month of January. Of course, we have yet to have Cabinet's approval, cetera.

Sen. Mark: Attorney General, could you indicate—maybe I did not hear properly or it may have slipped me—whether the labour movement—whether it is NATUC or FITUN or JTUM—have representation on the working committee dealing with this very important document?

Hon. F. Al-Rawi: They do not have specific representation immediately on this. I am in another group setting with the entire labour movement. I have invited them to sit on the reforms to the industrial relations cycle. So we have established a working committee. I have just received their nominees to sit on that committee. Having that committee at the AG's Office at the same time drafting those laws, one feeds into the other. So we will certainly be reaching out to them, including them in the formula product that we have as we get this position together.

This ties in, Mr. Vice-President, with another law which we have just completed. I am going to propose that it be taken to Cabinet, which is amendments to the Domestic Violence Act. So there are in tandem approaches. I want to remind that this comes after having birthed a Family and Children Division, having put in rules of court, created specialist courts, a Child Protection Unit, a Victim Protection Unit and Probation Officers. Hundreds of bodies have been hired and put into place and operation. The Commissioner of Police has spoken to the targeted arrangements on that end. The Minister of National Security has done the migration population exercise. So there is a whole host of Government agencies and NGOs that are in effect. It ties in with our non-profit organizations law which

marries up the entities that look at this and the work that is going on at the Office of the Prime Minister. This is a whole of Government, whole of Trinidad and Tobago approach.

Mr. Vice-President: No more supplementals on that. That is the four. Next question, Sen. Mark.

Scarborough Fire Station

(Cause of Fire)

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

Having regard to the April 2019 fire which partially destroyed the Scarborough Fire Station, can the Minister advise as to the cause of said fire?

The Minister of Agriculture, Land and Fisheries (Sen. The Hon. Clarence Rambharat): Thank you very much, Mr. Vice-President. Mr. Vice-President, the Chief Fire Officer has advised that the cause of fire at a Scarborough Fire Station was determined to be accidental in nature. I thank you.

Sen. Mark: Can the hon. Minister indicate the extent of the destruction to the Scarborough Fire Station as a result of this accident?

Sen. The Hon. C. Rambharat: Mr. Vice-President, I am not in a position to indicate the extent of the damage, except to say that the site has been reviewed by the various agencies, including the OSH agency, and steps have been taken by the Minister of National Security working with the Permanent Secretary to have the repairs effected. And as soon as the fire took place, the officers who operated there to service that part of Tobago were relocated to the Crown Point Fire Station and have been operating from there and servicing the area that would have been serviced by the Scarborough Fire Station. Thank you.

Sen. Mark: Mr. Vice-President, can the hon. Minister share with this Senate what

was the nature of the accident that you mentioned that caused the fire? What was the nature of the accident?

Sen. The Hon. C. Rambharat: Mr. Vice-President, I am not seized of anything beyond the declaration of the Chief Fire Officer that the fire was accidental in nature. Thank you.

Sen. Mark: Can I ask, through you, Mr. Vice-President, for the hon. Minister to enquire, what is the nature of the accident and provide this Senate with his response in writing at the next sitting of the Senate? Can I ask through you that that be—?

Sen. The Hon. C. Rambharat: Mr. Vice-President, may I propose that the better approach should be for my friend to file a question on notice and the Government would be happy to respond to that question. Thank you.

Mr. Vice-President: That is it, Sen. Mark?

ARRANGEMENT OF BUSINESS

Mr. Vice-President: Hon. Senators, at this point in time, we will revert to Item 8 on the Order Paper which is Urgent Questions, as we have the responder to the question. Sen. Mark?

URGENT QUESTIONS

Businesses Refusal to Accept \$100 Notes

(Action taken to Address)

Sen. Wade Mark: Thank you very much, Mr. Vice-President. To the hon. Minister of Finance: In light of claims that some businesses are already refusing to accept the paper-based \$100 notes before the demonetization date, can the Minister state what action is being taken by the Government to immediately address this problem?

The Minister of Finance (Hon. Colm Imbert): Mr. Vice-President, as you

know, this question only came to us about an hour ago, and we are still being advised. But what I would say in the interim is that as Minister of Finance, I will ask the Governor of the Central Bank to see what arrangements can be made for merchants who may wish to turn in old notes close to the deadline. But, as I said, I am being advised at this point in time, because it is a bit of a complicated matter, but that is the plan to ask the Central Bank to see what arrangements can be made for merchants who may wish to turn in large quantities of notes towards the end of the year, towards the 31st of December.

Sen. Mark: Mr. Vice-President, can I ask the hon. Minister whether it is legal or illegal for businesses to bluntly refuse legal tender notes that are rendered or that are offered in exchange for services? Can businesses automatically, whimsically refuse to accept the \$100 notes and whether that is legal in TT? Can you advise us on this?

Hon. C. Imbert: Yes. Firstly, I would say the \$100 bill, the existing cloth paper note, is legal tender and will be legal tender until the 31st of December, 2019. The issue is whether in a private transaction, because it is a transaction between two private parties—a private individual, a private company or another private individual—whether you could compel somebody to take up a particular note, for example, a person may not have change for that note. So that I am being advised and I think I would receive proper legal advice later in the afternoon. I have already engaged two Senior Counsels to tell me what the practice is in other countries where you had demonetization. But I want to stress, it is a private transaction between a private individual and another private individual or private company, and we have to look at that and see exactly—and, of course, the Attorney General will be the legal advisor on this—the legal advisor to the Government on this matter. So I do not want to step out of my crease and give a

definitive answer at this point in time, but what I would say is that I will request the governor to see whether special arrangements can be made for merchants who may have large quantities of their old bills in their possession that that they would wish to turn in towards the end of the year.

Sen. Mark: Mr. Vice-President, through you, to the hon. Minister. Hon. Minister, what happens to citizens who may have large stashes of cash in terms of \$100 notes after the 31st of December? Can you explain to this honourable House what options would be available to those citizens after the deadline date? Are these \$100 notes, therefore, legal tender after the 31st or are they of no value after the 31st of December, 2019?

Hon. C. Imbert: Sure. Sen. Mark, your question was about merchants accepting \$100 bills. You have now changed the question to people who may have \$100 bills in their possession. This is one of the problems with urgent questions which you—it is a device that you came up with in another incarnation, where you come at someone with a question an hour before, and then come with supplementaries that bear no relationship to the original question. I can say, I would repeat that the \$100 bill, the paper bill, will be legal tender up to midnight on the 31st of December, 2019, and I just said that. So for you to ask me that question twice as if I did not say that, is a little puzzling.

Mr. Vice-President: Sen. Mark, next urgent question.

\$10,000 Limit Imposed by Banks

(Arrangements to Facilitate Muslim Community)

Sen. Wade Mark: I know we are tired somewhat, so I understand. Mr. Vice-President, may I address you. To the hon. Minister of Finance: Having regard to the \$10,000 limit imposed by banks in their redemption of \$100 notes and the impact this would have on Muslim citizens seeking to redeem large sums of \$100

bills, what arrangements are being made to facilitate this community?

The Minister of Finance (Hon. Colm Imbert): Thank you, Mr. Vice-President. Mr. Vice-President, the amendments to the Central Bank Act, the insertion of the new section 27A provide for—

Sen. Mark: 27A or 37?

Hon. C. Imbert: 27A, the new 27A. The insertion of the new 27A in the Central Bank Act makes provision for the redemption of notes. The banks have “know your customer” arrangements in place. They have had “know your customer” arrangements in place for years as a result of the enactment of the Financial Intelligence Unit Act way back in 2009, and it was then amended in 2010, 2011 and so on, as the prominence of the Financial Action Task Force and the anti-money laundering provisions began to kick in, and now we have the Global Forum and the EU Council of Ministers looking at how we deal with finances and transactions and wire transfers and cash transactions and so on. So there have been arrangements in the banks for years with respect to transactions there. Prior to Monday, a large transaction was \$90,000 or more, it is now \$50,000 or more. For casinos, they had a special regime. Prior to Monday, a large transaction in a casino was \$18,000 or more. It is now \$10,000 or more.

What the commercial banks have chosen to do with the non-objection of the Central Bank, is for persons who have no bank account whatsoever—they have no banking record, they have never banked—they are called the “unbanked”—they have limited the change of the note from the old note to the current note to the new polymer to a maximum of \$10,000 per transaction. Persons who may have more than that—

Mr. Vice-President: Minister, time for responding to the urgent question is up.

Hon. C. Imbert: I could deal with it as a supplemental. [*Laughter*]

Mr. Vice-President: Sen. Mark, supplemental?

Sen. Mark: Can I ask the hon. Minister, given the growing concern by a very significant section of the national community, does the Government intend to take any measures, including reviewing this 14-day deadline—that is the 31st of December—in order to address some of those concerns that I have mentioned?

Hon. C. Imbert: Yes, and let me now address the point, because it is relevant to the supplemental. So that persons who are unbanked, who have more than \$10,000 per transaction, simply go to the Central Bank and the Central Bank would change the money for them. They would simply have to fill out the normal forms, produce a form of identification, produce a proof of address like a utility bill and fill out a source of funds form. So if someone walks in with \$2 million in cash, they would have to go through the normal know your customer procedures at the Central Bank. So the Central Bank is the area where persons of the Muslim faith can go to if they have large amounts of cash that they wish to redeem.

With respect to the notice, the notice is actually from the 9th of December to the 31st of December. That is a little more than 14 days in the calendar. So that is the deadline at this point in time. The plan is to stick to that deadline, but the Government has given itself the flexibility in the legislation to extend the date of cancellation, if necessary, but at this point in time, the plan is to stick to the deadline.

Mr. Vice-President: Hon. Senators, the time for Urgent Questions has ended.

DEFINITE URGENT MATTER

(LEAVE)

Influenza Virus

(Government's Failure to Protect Citizens)

Sen. Wade Mark: Thank you, Mr. Vice-President. In accordance with Standing

Order 16(2), I hereby seek your leave to move the adjournment of the Senate for the purpose of discussing a definite matter of urgent public importance, namely, the failure of the Government to protect the public health of the citizenry by providing sufficient security and protection from the spread of the influenza virus which has led to the death of 32 persons to date.

The matter is definite as it pertains, specifically, to the obligation of the State to fulfil measures in protecting the health of the citizenry by ensuring adequate public health infrastructure and preventing the spread of communicable diseases.

The matter is urgent as there has been an alarming rate of influenza-related fatalities within the last three months, which in comparison to the flu-related deaths for 2018 represents an increase of 300 per cent in deaths.

The matter is of public importance as the failure of the Government to take urgent action in the protection of its citizens may result in further deaths which would invariably escalate the mortality rate and call into question the failure of the Government to provide quality health care. I thank you for your consideration of this critically important matter, Mr. Vice-President.

Mr. Vice-President: Hon. Senators, I have considered the Motion of the Senator and I am not satisfied that this matter as presented qualifies under the Standing Order.

FINANCE BILL, 2019

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

A Bill to provide for the imposition or variation of certain duties and taxes and to introduce provisions of a fiscal nature and for related matters, be now read a second time.

Mr. Vice-President, before us this afternoon is the Finance Bill, 2019, which is aimed at putting in place the fiscal measures and related matters that were pronounced in the 2020 Budget Statement in the other place on October 07, 2019. Mr. Vice-President, clause 1 of the Bill is self-explanatory and mainly deals with the short title of the Bill, which is cited as the Finance Bill, 2019.

At the outset, Mr. Vice-President, I would say that clause 9 is the commencement provision containing the date from which the provisions of the Act will come into force. By virtue of that provision, all the clauses except for clause 4(k) will come into operation on January 01, 2020. Clause 4(k) provides for consequential amendments to the Corporation Tax Act, Chap. 75:02, which are necessary to implement the Insurance Act of 2018. It deals, in effect, with how insurance companies are to be taxed under the new Act, and I will go into more detail on that provision later in my presentation, Mr. Vice-President. But in respect of the coming into force of that provision, you will recall, Mr. Vice-President, that the Insurance Act comes into force on proclamation by the President. So what we are seeking to do in clause 9, is to allow the President to also proclaim this particular amendment so that they will come into force at the same time as the Insurance Bill will come into force.

So moving on to the other provisions of the legislation, Mr. Vice-President, I would start with the provisions that impact the energy sector. There are three provisions which deal with the energy sector that seek to address incentives relative to exploration, production and development in the energy sector. The first deals with loss relief and those amendments are to be found in clause 3(a) and 3(b) of the Bill which seeks to amend the Income Tax Act, Chap. 75:01 to address the issue of loss relief that can be claimed by companies engaged in exploration, production and the development of oil and gas in Trinidad and Tobago. Under the

provision as currently obtains, all persons involved in trade or business are entitled when they incur a loss in a particular year that they cannot offset against the profits of that year to carry those losses forward and to write it off against future profits without limitation.

What we are proposing in the current Bill is that in respect of energy companies, their ability to write off the loss will be limited to 75 per cent of the profits of the year, which will ensure that in every year that an energy company generates profits it will be required to pay some tax to the Government of Trinidad and Tobago, as opposed to being able to apply all their brought forward losses against the profits of that year.

2.15 p.m.

So that is the extent of that amendment, and we expect that measure to provide some revenue to the coffers which we would not otherwise have received as early as we will receive it when we make the change. That provision, as I indicated, is to come into effect on January 01, 2020. The second provision which as well deals with the energy sector is the adjustment of the investment tax credit. The investment tax credit—currently energy companies engage in approved development activity in mature marine and land oilfields that are 25 years or older. So these are people who are, in trying to secure energy product from aged fields and therefore have to do a little more work to get there, they are entitled to a tax credit of 20 per cent of the qualifying expenditure and this is deducted against their supplemental petroleum tax. Mr. Vice-President, supplemental petroleum tax, pursuant to Part II of the Petroleum Taxes Act, Chap. 75:04, is a tax that is charged essentially on the gross income with a couple of exceptions derived from the disposal of crude oil in accordance with the rates fixed in the Third Schedule of the Petroleum Taxes Act. This is computed separately in respect of land operations

and marine operations and marine operations in the deep water.

Supplemental petroleum tax applies—it is called, loosely, a windfall tax, and it applies only at the point where the price of oil equals or exceeds \$50 a barrel, and because it kicks in at that point what happens is there is a kind of a shock to the system of the people involved in this area because they go from paying no tax at all to paying what can be a substantial amount of tax. And what we want to do is encourage the continued activity and investment of people in this sector because, as I said, these are people who are seeking to recover oil from fields that are aged and they have to incur more expenditure to do that. So what we are seeking to do is increase the allowance from 20 per cent to 25 per cent to give them some more leeway in terms of how they can structure their investment and hopefully in that way encourage further investment in that area.

The final provision in respect of energy companies relates to the capital allowance which they are allowed to claim in respect of their activity. Mr. Vice-President, sections 17A(2) and 24(2) of the Income Tax (In Aid of Industry) Act, Chap. 81:03, currently allows production companies accelerated depreciation of their capital expenditure. Such companies are allowed to fully write off their capital expenditure over three years as follows. They are allowed to deduct 50 per cent of the expenditure in year one, 30 per cent in year two and 20 per cent in year three. And as we would have indicated on prior occasions, what this has done is to cause the companies to create more significant losses than they otherwise would have and therefore not be contributing taxes to the economy at this point.

As we would have indicated previously when we met with bp about a year or two ago they had indicated that the result of the new regime, which was introduced during the 2010 to 2015 period, they were not expected to pay taxes until 2024, and when the Government looked at that situation we determined that

was not a sustainable position. The country needs the revenue from the energy sector and therefore what we are seeking to do is revise the capital allowance structure to spread it over a longer period and therefore increase the likelihood of the energy companies being able to contribute to the coffers as we go forward.

So what we are proposing to do is to introduce a fixed rate allowance of 20 per cent per year for five years for all energy companies in respect of tangible and intangible expenses incurred on or after the 1st of January, 2020. Any expenditure incurred before that date would continue to attract allowances under the current existing regime.

Mr. Vice-President, I now turn to fiscal measures for the non-energy sector, and the first one I will deal with is promotional expenses which we are seeking to amend by clause 4(a), (b) and (c) of the Bill which is seeking to amend Chap. 75:02 to extend the promotional allowance to first-time exports to Caricom countries. We currently have a promotional allowance, it applies on export of goods in commercial quantities, the export of agricultural produce in commercial quantities and the export of, what I would loosely call construction services, so architectural and quantitative and those kinds of services related to the building in the construction industry.

The expenditure to promote the export of these goods and services currently attracts a promotional allowance of 150 per cent of the expense actually incurred but only applies if the export is to a non-Caricom country. What we are seeking to do is encourage greater activity within the Caricom sphere, promote exports in those areas so we are extending the promotional allowance to first-time exports to Caricom countries, and that is the extent of the amendment to the promotional allowance. We are also seeking to provide greater relief to the creative and other industries where they are entitled at this point in time to certain allowances but we

are increasing the extent of the allowance. So, Mr. Vice-President, it is recognized that amongst the citizens of Trinidad and Tobago there exists considerable local talent. In recognition of these talents and in an effort to promote the development of future talent clause 4 seeks to provide further incentive for the development of this talent consistent with Theme I of our *Vision 2030*, “Putting People First: Nurturing Our Greatest Asset”.

Sections 10G, 10I, 10J, 10K and 10L of the Corporation Tax Act all grant relief in respect of expenditure incurred in relation to local talent as follows: 10G provides incentives in respect of expenditure on artistic work, both visual artistic and performing artistic work; section 10I provides incentives in respect of the promotion and sponsorship of sporting activities, events and local sportsmen; section 10J provides relief in respect of sponsorship of audiovisual or video productions for education, entertainment or promotional culture; section 10K provides relief to production companies for that similar type of activity, the creation of audiovisual and video promotional for entertainment, education or promotional culture; and section 10Q provides incentives in respect of the promotion of the fashion industry. Anyone who incurs expenditure in any of these items may currently claim either the actual expenditure up to \$3 million or in respect of the fashion industry and production companies, 150 per cent of the actual expenditure again up to a maximum of \$3 million. What we are seeking to do is increase that maximum to \$6 million in respect of each category.

Mr. Vice-President, there is a cap on the total amount of expenditure that can be claimed by a company in respect of these allowances. Section 10L, in respect of which you will also see an amendment in the Bill, provides for the purposes of ascertaining the chargeable profits of a company for the year of income, the aggregate allowance that may be claimed in respect of artistic work, sporting

activities, sponsorship of audio and visual productions and the promotion of the fashion industry shall not exceed in aggregate \$3 million, we are seeking to increase that aggregate to \$6 million, and this is per annum. There is also an amendment to section 10L(2) which deals specifically with production companies, because you may recall that I just mentioned that a production company that is producing local videos, audios, for the promotion of entertainments in education and culture is entitled in its own right to claim a deduction of 150 per cent of its expenditure up to \$6 million. So if over and above that, that production company seeks to provide support in the other areas, visual or performing arts, or fashion or these other areas, they are entitled to a further deduction of currently up to \$2 million. We are seeking to increase that to \$4 million.

So a production company may claim \$6 million in respect of its own production and then \$4 million in respect of any sponsorship that it provides to other companies for local art, local sports, and so on. So those are the amendments in respect of the production. And, Mr. Vice-President, it is important to note that this is an area, the area of promotion of local talent is an area that the Government sees as an important area for promotion and expansion and diversification. We have seen movement, we have seen traction in the initiatives we have taken and a lot of those initiatives are sponsored by Government expenditure. What this is seeking to do is to bring the private sector into that area and give them—increase the incentive that they have to also get involved in sponsoring of this very worthwhile activity.

Mr. Vice-President, I move now to the provision dealing with solar water heating equipment, which is to be found in clause 3(c) of the Bill. This provision proposes to increase the tax credit available to persons who purchase solar water heating equipment for household use. Currently section 48M of the Income Tax

Act, Chap. 75:01, allows such persons, that is, a person who purchases solar equipment for household use, to claim 25 per cent against this tax to claim a tax credit of 25 per cent of the cost incurred up to a maximum of \$10,000. That has gathered some interest and I have been advised that approximately 12,000 people have so far taken advantage of that provision. We are seeking to accelerate the conversion of Trinidadians and Tobagonians from the traditional source of electricity to these more environmentally friendly sources, and we are seeking to do that in this instance by increasing the tax credit from 25 per cent of the expenditure to 100 per cent of the expenditure but maintaining the limit of \$10,000, which, when we look at the landscape, we think that is reasonable for a household. So you will now be able to get a tax credit, not a tax deduction but a tax credit—which is much more beneficial, and I will explain to you why for those of you who are not tax people—of 100 per cent of the expenditure.

Now, I will give you an example. Let us say you earn a \$1,000 a month or a year, if you are getting a tax deduction for that you deduct the—let us say you pay \$100 for your water heater, you deduct \$100 from your \$900 and you pay tax at 25 per cent on \$900. If you are getting a tax credit you apply the 25 per cent on the \$1,000, end up with \$250 and then deduct the \$100 from the \$250. So you get a much more significant benefit when you get a tax credit rather than a tax reduction, and what we are doing here is increasing the size of the tax credit to which you are entitled. So we are really hoping that this spurs more people to look to solar panel energy for their houses.

I would say, Mr. Vice-President, that this measure is set against Caricom's 47 per cent target for power generation from renewables by 2027 and conforms with the views that given the enormous scales of resources in the region, renewable energy should be contributing more to the region's energy needs and increasing

prospects of energy security. Moreover, this measure also reflects Trinidad and Tobago's own commitment to 10 per cent or 150 megawatts of renewable power generation by 2031, with wind and solar energy being the leading options. So that is the objective.

Relief measures: Mr. Vice-President, I will first deal with the issue of the personal allowance of airports. Clause 7 of the Bill seeks to amend Item 6AA(5) of the Second Schedule of the Customs Act, Chap. 78:01, by increasing the duty allowance available to a passenger from \$3,000 to \$5,000 per annum on goods purchased abroad by the passenger and brought in when entering Trinidad and Tobago or goods purchased locally in our inborn shops at the ports. It applies to goods purchased for the passenger's personal or household use or as souvenirs or gifts. This increase in the duty allowance is in addition to those reliefs granted on alcohol, tobacco, cigars or cigarettes.

Mr. Vice-President, Co-operative Societies. Clause 8 of the Bill amends section 41(3) of the Co-operative Societies Act, Chap. 81:03, by increasing the value of shares and/or interest that a society may transfer to a nominee or legal personal representative of a deceased member from \$5,000 to \$50,000. Mr. Vice-President, this is loosely called a "death benefit" and what it allows is for the credit union to pay, almost immediately, to the beneficiary or legal personal representative of a deceased member an amount which is usually used to cover the cost of funerals which have become significantly more expensive since this measure was first introduced. The Credit Union Movement has been lobbying for this for quite some time and we think it is only reasonable in this circumstances to give the relief so we are moving [*Desk thumping*] the death benefit from \$5,000 to \$50,000.

Insurance companies, taxation reform: Mr. Vice-President, as you are aware,

the Insurance Act of 2018 was assented to on June 04, 2018, and is currently awaiting a date to be fixed for entry into force by the President by proclamation. One of the fundamental changes that was made to that legislation was it removed the requirement for insurance companies to maintain statutory funds for the protection of their policyholders. The change was seen as necessary given that the statutory fund requirement under the existing Insurance Act of 1980, which is computed as a summation of liabilities to Trinidad and Tobago policyholders and reported as such does not mandate the actual segregation of assets in the fund by class or business in the investment accounting records of the relevant insurance companies. This was seen to be a loophole and did not provide the level of protection to policyholders that we felt was necessary. So section 83(2) of the Insurance Act of 2018 changes this paradigm by mandating the insurer to hold, to maintain and hold adequate assets to support its liabilities to Trinidad and Tobago policyholders.

So having regard to the fact that no statutory fund currently exists that creates a role on impact in the tax area in the area of taxation of insurance companies, because under the corporation tax as currently crafted insurance companies are taxed on the profits from their statutory funds, so that what we have decided to do was to remove the connection of taxes in the statutory fund because there is no such thing, and the new methodology will have a minimum marginal impact on the tax assets. So what we are saying is that insurance companies will pay tax on the profits generated from the assets that are held for the protection of their policyholders. So the change in the tax structure is not significant but it was essential for the purpose of bringing effect to the insurance legislation. So clause 4(k) of the Bill is a consequential amendment to the Fourth Schedule of the Corporation Tax Act to establish a new methodology for the taxation of life

insurance business.

Mr. Vice-President, the new methodology will ensure a smooth transition to the new Insurance Act as the existing methods for computation of profits of taxation under paragraph 3(1) of the Fourth Schedule to the Corporation Act will be retained. So we are not significantly changing the method of taxation, the taxation version will remain substantively the same under the Insurance Act of 1980, insurance companies and the Association of Trinidad and Tobago Insurance Company (ATTIC) have been consulted and have confirmed their understanding of the new methodology and their acceptance of the fact that it will not create difficulties in the transition, and the proposed taxation basis retains the link to the regulatory framework by reference to requirements in the Insurance Act of 2018.

Mr. Vice-President, in respect of the environmental tyre tax that was introduced in the budget statement of 2018, we had proposed the implementation of environmental tax of \$20 per tyre on all tyres imported into Trinidad and Tobago. This tax was intended to cover the cost of proper disposal of used tyres. Notwithstanding that clear policy position, the measure as enacted inadvertently only imposed tax on used tyres and therefore put an unfair burden on persons supplying those tyres. The measure was implemented by Finance Act, 2017, Act No. 15 of 2017, which, inter alia, amended the Miscellaneous Taxes Act, Chap. 77:01, and referenced tariff heading numbers under section 27D of the Act. In order to address this inconsistent treatment it is proposed to amend the Miscellaneous Taxes Act to allow the \$20 environmental tax to be imposed on all tyres imported into Trinidad and Tobago, and clause 6, Mr. Vice-President, will address that issue.

Finally, Mr. Vice-President, clause 2(1) of the Treasury Bills Act, Chap. 71:40, presently permits the Minister—in this case the Minister of Finance—to

borrow in Trinidad and Tobago by the issue of Treasury bills such sum or sums not exceeding in aggregate, TT \$5,000 million. Mr. Vice-President, section 2(1)(b) of the Act also allows the Minister to borrow by issue of Treasury bills such further sum or sums as may be prescribed by resolution of Parliament. Mr. Vice-President, you may be aware that a Treasury bill by its very nature is a short-term financial instrument purchased by investors and has a maturity period of up to one year. In Trinidad and Tobago, Treasury bills are used by the Minister as short-term borrowing, for among other things Government expenditure. Mr. Vice-President, you may be aware that Treasury bills are also issued by the Minister to be used by the Central Bank for open market operations for liquidity purpose in the monetary system. The amendment to the Treasury Bills Act is intended to focus on giving the Minister some flexibility in respect of short-term borrowing for Government expenditure. In this regard section 2(1)(a) of the Act is proposed to be amended by clause 2 of the Bill to increase the aggregate amount from TT \$5,000 million to TT \$7,000 million.

This amendment will give the Minister flexibility to secure funds at a cheaper and faster rate. Treasury bills are routinely raised in a day speed at interest rates of below 3 per cent for a one-year Bill. By comparison the interest rates on the overdraft is 5 per cent. In fact, the current rate—we see it payable on Treasury bills—is 2.2 per cent which is significantly below the current overdraft rate, so we are seeking to give the Minister of Finance the flexibility to borrow from that source at a cheaper and faster rate rather than—there are other options which are more expensive.

So, Mr. Vice-President, those in summary are the provisions in the Bill that is before us. It, by and large, merely seeks to give effect to the measures that we would have raised during the course of the budget debate and I ask the Members of

this Senate to support us in getting this through. 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, we are dealing with an Act to provide for the imposition or variation of certain duties and taxes and to introduce provision of a fiscal nature and for related matters. Because of the number of very critical matters that is contained in this piece of legislation I will have to, given the time limitation as well, I will have to confine myself to just a few. I will want to look at clause 2. I want to look at the petroleum taxes section, looking at tax credit and capital allowances. I also want to look at clause 7, briefly on clause 6 as well, and this matter of solar water heaters that the Minister made reference to.

2.45 p.m.

Mr. Vice-President, we are dealing with the Finance Bill of 2019, and as we know this Bill is supposed to reflect measures contained in the 2019/2020 budget which required legislative action, and which is what we are dealing with here today and which are supposed to be effected by a certain date, 31st December/1st of January.

Mr. Vice-President, nowhere in the budget presentation did the Minister of Finance tell the population that an amendment was coming to the Treasury Bills Act. I read the budget, I contributed to the budget, and nowhere in the budget statement, was there any indication to the population that the Government was going to amend the Treasury Bills Act. Was that deliberate? Was that deceptive? Was that an attempt to hide information from the population, knowing that a local government election was around the corner? I do not know. All I can tell you is

that traditionally we know that the Government has the power in an omnibus legislation or law, to bring in whatever they think or deem necessary. But as a mark of respect they ought to tell the population in advance that they were going to bring an amendment to the Treasury Bills Act. [*Desk thumping*]

Mr. Vice-President, may I remind you, it was in December of 2017 when they ambushed this Parliament, and they did the very same thing that they are doing today. They brought a Finance Bill, and you know what they did? The Government amended the Central Bank Act, not to cancel notes as they did last week, but to extend the percentage that they would be able to access in overdraft facilities based on the budget numbers, and they increased it from 15 per cent to 20 per cent. That caused a firestorm in this country.

Now, in that same Finance Bill, they brought an amendment to the Treasury Bills Act, and we moved from a ceiling of \$2 billion to a ceiling of \$5 billion. That was in 2017 December. Mr. Vice-President, fast forward to 2019, some two years later. We are having in clause 2 another amendment to the Treasury Bills Act, to extend the ceiling from \$5 billion, or \$5,000 million, to \$7,000 million, or \$7 billion. And we are told very glibly and loosely, and almost flippantly by the hon. Minister in the Ministry of Finance that this is to give the Minister flexibility to borrow money to pay for their bills. This Government has not only crashed the economy, but the Government is bankrupt. [*Desk thumping*] And what they are doing, they accuse us of running the economy on fumes, well I am telling them they are running the economy on fumes. [*Desk thumping*].

So, Mr. Vice-President, this has implications. The hon. Minister said that they could get short-term instruments—which is what Treasury bills are about—90 days, 120 days, 160 days. They are going into the open market, like the Central Bank, to mop up what is called “excess liquidity” in the system and they are going

to take from the system \$2 billion more. As you know, there is no more budget next year, because budget day, as you know, ends the 30th of September. Parliament prorogues and dissolves on the 23rd of September next year, so there is no budget. So they have to go home by calling the election so we can send them home quickly. [*Desk thumping*] Your days are over. The people are fed up with you.

So what they are doing now they are using and abusing the Treasury Bills Act in order to finance, as they did in the local government election, and they got licks, they got licks. I am telling them now they will get licks, they will get licks in the 2020 general election. So you all could do what you want. You could go and take \$2 billion from the Treasury Bills Act through short-term instruments that will not help you.

Mr. Vice-President, you know what are the implications of this? They are going to crowd out the private sector. We are going to most likely see a rise in the rate of interest as this almost incompetent, clueless, visionless, intellectually bankrupt Government decide to do what? Go into the Treasury Bills Act to get \$2 billion. What has been happening to cash flow management in this country? I thought that both the Treasury Bills Act and the Treasury Notes Act would have been instruments utilized by the Central Bank for what is called “open market operations” to mop up excess liquidity. But I now realize that the Government of Trinidad and Tobago has substituted itself for the Central Bank. They are now mopping up excess liquidity in the system. That is what they are doing.

Mr. Vice-President, may I advise you, this Government has taken the public debt to over \$103 billion. You know what is the debt to GDP ratio? Close to 64 per cent. The IMF is predicting, if people were to take God out of their thoughts and put back in this clueless and visionless Government, that by 2022 our debt to

GDP ratio would be between 85 to 95 per cent, because all this Government can do is borrow and tax—borrow and tax. They have no clue as to how to make this economy work. That is why you got a signal, and I want to tell you it is a message. You got a message, take it seriously.

That is the first area of concern to us, this attempt by this Government to engage in short-term borrowing to deal with what is called their “current expenditure”. You know what that is to do too? Pay salaries. They are having difficulty meeting their monthly obligation to civil servants and public officers in this society, so that is why they are going where they are going.

May I remind you, there is a monetary report that came out in November. It normally would come out about sometime early in November around the 15th or 17th. You know what was done? I do not know who to blame, I cast no aspersions. All I can tell you is that accidentally the Central Bank report on monetary matters, or what is called the monetary report, did not come out during the period it was supposed to come out. But you know what? The local election was at its height, so they did not want the people and the country to know what was contained in the monetary report. So you know what they did? The monetary report was issued only after licks, licks, licks took place. [*Desk thumping*] “Bazodee, malkadee, tootoolbay”, then they put out the monetary report. That was after the normal time it would have been put out.

But it did not help them, because the reality came, and the report was published in around December, sometime late November, early December. But it came after the local government election. What did that monetary report tell us? I find that the hon. Minister was very subdued today, because you know why? Nothing to report. They are on their way out in their fourth year into their fifth year. Mr. Vice-President, may I remind you, we have a few days before the season

of goodwill and peace on to all men and women. After that is nine months, and that will pass with the wink of an eye, and after that is licks, licks, licks. People waiting on you all. [*Desk thumping*]

I want to tell the Minister of Public Utilities he did a good job in Fyzabad. If you see lights. [*Desk thumping*] They never had lights and water as they have now, thanks to the hon. Minister of Public Utilities. Thank you very much, Sir. But you got licks in spite of the lights. [*Laughter and desk thumping*]. You know what happened, Mr. Vice-President? The monetary report which the hon. Minister in the Ministry of Finance did not tell us “nothing” about, in terms of the state of this economy. I want to tell the hon. Vice-President, through you to this honourable Senate, you know what this report is saying? This monetary report against all the measures that we are dealing with today, you know what it is telling the whole country? Growth is declining.

Mr. Vice-President, negative growth in 2016. Negative growth in 2017. Negative growth in 2018. And negative growth in 2019. We are predicting negative growth in 2020. This Government, with over \$250 billion, would have shrunk our economy by 12 per cent during their five-year reign. That alone should give them a red card and send them packing. No growth, no growth in the economy. [*Desk thumping*] The economy is declining. Drilling is declining. Oil production is falling.

Mr. Vice-President, may I remind you if you are not aware—I am coming to deal with the Petroleum Tax Credit—do you know that in 2015 when we left office we had 78,630 barrels of oil? You know, between January and September 2019, not even the whole of 2019, we are down to 58,793? In 2018 it was 63,000; '17, 71,000; and in 2016, it is 71. So our oil production has been declining? Oil refining has stopped, and no matter what they tell this country, it is a cardinal sin

that this Government has committed against this nation by closing down the flagship industry of our country, Petrotrin; and the country will never forget you.

[*Desk thumping*]

May I remind you of a famous statement made by Maya Angelou. She said people will forget what you say, people will forget what you did, but people will never ever forget how you made them feel. The people of Trinidad and Tobago have begun to tell the Government, like Maya Angelou said, how we have felt after four years of PNM brutality and punishment, and arrogance, [*Desk thumping*] insulting the population.

You know what, Mr. Vice-President? The people have had enough, and not only I am saying that, it is happening in the numbers: fertilizer production down, fertilizer exports down, local cement sales down, vehicle register declining, average daily vacancy for jobs, falling. All over the country is gloom and doom, because this economy under this PNM stewardship has not gone anywhere except downhill. So what do they have to tell us? Nothing. What do they have to show? Nothing.

I just want to let you know that when we go to the petroleum taxes clause in this Bill, where we have been advised that we are moving from 20 per cent to 25 per cent, may I remind you how this thing came about.

The Minister of Finance in the 2020 budget indicated, and I quote:

I propose to increase the Investment Tax Credit for energy companies from 20 per cent to 25 per cent, to stimulate further exploration and development-related investment in the energy sector.

That is being done by an amendment to the Petroleum Taxes Act, section 26(1). That is the section that speaks to tax credits to be applied to what is called the “supplemental petroleum tax liability”. A tax credit of 20 per cent of capital

expenditure can be had, if companies invest in certain activities such as mature field development and enhanced oil recovery. This Bill, and the measures in it, is seeking to increase this 25 per cent. In a situation where oil production is declining and falling, I would like to ask the Minister in the Ministry of Finance, this is a miniscule increase in tax credit. Can you get any kind of fillip or any real trigger in exploration and production with a 5 per cent tax credit increase? I think it is miniscule, and the Government needs to look at this again.

Mr. Vice-President, even the report by Ernst & Young last year indicated that this minor change—minor change—may not be viewed as sufficient. Even Ernst & Young recognized this was a minor change. And we would say on our side that this is going to have absolutely no effect on exploration activity in this country.

Mr. Vice-President, please be reminded that the Petroleum Taxes Act, section 26(1) is the credits that can be applied against the supplemental petroleum tax. The SPT, as it is abbreviated, is only applicable to oil production and condensate production, collectively referred to as liquids. SPT is not applicable to natural gas production. The energy industry has been telling this Government that the current SPT regime does not work in a low priced environment. The PNM, in its early incarnation in government, had promised to reform the SPT, but this fell by the wayside as so many other things that they had promised the population. So what we have here is not a comprehensive reform which is what is required to resuscitate oil production in Trinidad and Tobago.

What we have here as a measure is an attempt to tweak, that is, it is like a crumb they are throwing at the industry or to the industry. It will not work. But the Government, as I told you earlier, is in a state of “bazodee; dey tootoolbay; they suffering from malkadee.” They do not know what hit them, and that is why

we have all of these measures coming here, and it is not related to reality. Nothing will happen as a result of these measures—nothing.

I want to tell you that the current SPT rate of 33 per cent for marine oil production, and 18 per cent for land production will only be triggered when the oil price is beyond \$50 a barrel. I know that the EIA of the United States is now predicting—I think the oil price is around \$58 now, and the price of gas is about \$2.75. We had budgeted for 3.00 and also 60, and what is happening is that those numbers are in trouble. May I advise you that in Texas, a major, major oil find has taken place in which billions of barrels of oil will be coming onto the market shortly, which is going to have a debilitating impact on the prices of crude oil in the coming days, weeks or months. So we are in trouble if we are depending on oil to rescue us in this situation.

So as I told you earlier, our oil has fallen very, very, very seriously, and the Government is unable. They closed down Petrotrin and they promised—falsely promised the population that oil is going to be the answer, and we are going to be exporting oil and earning foreign exchange. What has happened? Nothing has happened. What we have seen is that oil has fallen from 78,000 barrels to just under 58,000 barrels as at the end of September 2019.

Let me deal with the capital allowance briefly. The reversion of the capital allowances for what is called “developmental drilling”, that is drilling into known reservoirs, to a straight line, 20 per cent formula, is really a huge disincentive to the entire oil industry. This reverses the People's Partnership incentive package of April of 2014, which caused the investment in Juniper and Angelin to happen. They rode on the backs of our efforts at incentivizing the energy sector, and they got Juniper and Angelin. As we speak now, natural gas is going so. [*Sen. Mark gestures with his hand*]

The Minister of Finance, as we saw in an article in the *Business Guardian* was dead wrong, telling the country that we would get 3.8 billion standard cubic feet of gas per day. When we look at the *Review of the Economy*, it was just 3.6, and what is the reality for the first nine months of this year, the average, is 3.6. And there is a 98 per cent correlation between natural gas production and the expansion of gross domestic product. So whenever natural gas production has contracted or is contracting, our GDP will automatically contract, and there is a falling. There is a declining level or rate of natural gas in the country. But we are being told by the Minister of Finance, fake news, false facts. That what? We will get 3.8 billion standard cubic feet of gas in 2019. Mr. Vice-President, the average is 3.6.

That is why we are predicting like the IMF and like Moody's, it will not be zero growth, it will be minus growth in 2019 for this country. Nothing to be proud about. Nothing to be proud about. It is poor management. Bankrupt men and women in charge of our country. The time has come for them to go and rest, [*Desk thumping*] and let us take charge of this economy and get it working again for the people. [*Desk thumping*] That is what we have to do.

This capital allowances, what this means is that the companies will recover their capital expenditure slower and not faster. But remember they always had the facility to recover 100 per cent, all we did in 2014 was to speed it up to alter the time value of money. That is what we did, and therefore this change, what is being proposed here, will change the net present value of investments in drilling projects and make T&T, that is our country, Trinidad and Tobago less attractive. Mr. Vice-President, we believe this is a negative step on the part of this Government in this particular regard.

Mr. Vice-President, let me rush quickly to this matter of clause 6. I

distinctly recall raising in this Parliament in 2017 the dichotomous situation, based on the facts that were before us, on the environmental tyre tax. I told the Minister in the Ministry of Finance that only foreign-used tyres were being taxed. They dismissed me. For two years one sector of this economy was being punished. The poor, the vulnerable, the working people who using foreign-used tyres, they imposed a \$20 on these people. Two years later, confession is good for the soul. We are told by the Minister they made an error, it was inadvertence. But I paid, as a person buying foreign-used tyres, \$20 and tens of thousands of people paid this \$20.

You know what happened? All these people driving new brand cars and they importing new brand tyres, Mr. Vice-President, they for two years—for two years—“dey eh pay a cent”, and we are now going to correct that error. Are you going to make it retroactive for them to pay? Because I paid, that is, the ordinary people paid. You see how this system is very unequal? You see the discrimination? You see the inequity in the system? That is why people have reached a point where they are going to toss this Government into the Gulf of Paria after the next general election. [*Desk thumping*]

3.15 p.m.

We will never see the Minister of Foreign and Caricom Affairs again in this Parliament after the next general election; never. So, Mr. Vice-President, I wanted to ask the Minister in terms of clause 6, is the Minister going to make this retroactive? What mechanism are we going to put in place to ensure that there is equity and justice, and fair play? Why am I being called upon to pay \$20 for a tyre for the last two years, and people who can afford, people who have cars in this country, Mr. Vice-President, whatever make it is, but it is a new car, they are able to afford those new cars, that is why they are buying them. If they could not afford

them, they would not buy them, but you know what?—they did not allow them to pay.

Mr. Vice-President, the former Sen. Dhanayshar Mahabir, he quoted all the customs notes and numbers, and told the Minister in the Ministry of Finance, “Look, this thing is only applicable to foreign-used tyres”, and Mr. Vice-President, they did not listen to Dhanayshar Mahabir, they did not listen to Sen. Wade Mark, they did not listen to the Opposition. Two years later “dey ketch dey self”.

Hon. Senator: Arrogance.

Sen. W. Mark:—and they say, “You know what happening?—we make a mistake. We make a mistake.” I believe the PNM is a mistake. [*Desk thumping*] The PNM is a mistake. The people made a mistake by voting the PNM in 2015, but I am telling you one thing, they will correct that shortly. It is licks, licks, and more licks in 2020. [*Desk thumping*]

Mr. Vice-President, I am a very good predictor, eh, “I does prophesy”. [*Laughter*] I told them before, “ba-bye, ba-bye, ba-bye”. I told them that in 2010 when I was here, and I am telling them now, “ba-bye, ba-bye, ba-bye”. [*Desk thumping*] “De end ah y’all, gone like iguana.” You know the iguana? “Dem gone” like the iguana.

Mr. Vice-President, you will be the Vice-President still because I will recommend that Nigel De Freitas remains. He is the only man who I am going to propose remains in the Chair. [*Desk thumping*]

Mr. Vice-President: Sen. Mark.

Sen. W. Mark: Sir, sorry. I withdraw, I withdraw. [*Laughter*] I apologize too. I withdraw now.

Mr. Vice-President: I think you are well aware that you are not supposed to bring the Chair into the debate. Continue. [*Laughter*]

Sen. W. Mark: I humbly apologize, Sir, the hon. Vice-President. Mr. Vice-President, I want to indicate as well, customs. Hear what they are trying to do; mamaguy the population, but, Mr. Vice-President, mamaguy could not save them because it was lick, licks and more licks. You know what they did, Mr. Vice-President? They came in their 2020 budget and what did they do? They increased personal and household allowances from 3,000 to 5,000. Right? Mr. Vice-President, I pass through the airport from time to time, the duty free allowance for passengers who import gifts, as we were told, at the airport—

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

Sen. W. Mark:—has been increased from 3,000 to 5,000. So a passenger, Mr. Vice-President, can now import gifts to the value of 5,000 without paying duties once per year; that is in the regulation. Mr. Vice-President, the Minister who swiftly touched that and ran away, did not tell this honourable Senate, how this figure was arrived at. Were any studies done? Why not the equivalent of US \$1,000? We do not know because we got no answers from the Minister.

Mr. Vice-President, we would like to know the revenue foregone as a result of this measure. We are hearing about revenue leakages, and furthermore, we are supposed to be running on fumes, but you give away money, because you hope to get votes; is licks, licks and more licks, you are not getting the votes.

So, Mr. Vice-President, we understand, based on our investigation, that there is absolutely no mechanism in place at customs to monitor this duty free allowance of once per year. I would have thought, Mr. Vice-President, that a mechanism would be put in place and then this measure would have come into effect. Mr. Vice-President, if you do not have a proper mechanism in place to monitor this thing, this process of increasing from 3,000 to 5,000 can lead to an abuse and thus eroding further, the revenue base.

Mr. Vice-President, may I also remind you that in this country, when you arrive in this country and you fill out your form as I do, there is a section after subsection (6) of that form which reads, 17 years and over are entitled—now as we speak—3,000 duty-free allowance on personal and household effects, not in commercial quantity, as well as 250 grams of tobacco or cigarettes not exceeding 200, or cigars not exceeding 50, or cigarettes not exceeding 100, and 1.5 litre of spirits or wine.

Mr. Vice-President, we passed a tobacco Act, we passed an Act here in this Parliament not to serve children 18 years and under, alcohol or cigarettes, but on our declaration form we are being told that 17 years and over are entitled to the 3,000 which now goes to 5,000, and are entitled to both the spirits and wines and cigarettes, so there is a contradiction. The Government does not know what it is doing. They implement a measure and they are allowing children under 18 years of age to buy alcohol, given the permission and the official sanction of the Government of this country. This is something we need to look at, we need to correct it, either they amend this form, and 18 and over, it cannot be 17 years and over when the law says 18 and over.

Mr. Vice-President, I do not want to take much of your time again, I think I have made my point. This is a totally failed administration, they have nothing to report on. We are going into the fifth and final year of their tenure. It has been only difficulty, challenges, brutality, punishment, terrorism, almost not them, you know, Mr. Vice-President, terrorizing the population virtually for the five years that they have been in office. Under this Government, Mr. Vice-President, wealth has been concentrated, more inequality of wealth and income in this country as we have never seen before. Mr. Vice-President, with these few words, I thank you very much.

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 Finance Bill, 2019. Recognizing that the Finance Bill contains measures which are major drivers of economic activity in the country, it would be remiss of me if I did not make the following observations on a few key matters.

VAT refunds: The Government currently owes businesses \$5 billion in VAT refunds. While the initiative to deal with VAT refunds is welcomed, it is inadequate. The bonds which are tradable and transferable have a coupon rate of 1.5 per cent. Under the law, if the Government does not pay the company with the VAT refund due within six months, interest accrues at 1 per cent per month. Since businesses will not benefit from this accrued interest, it means that only 80 per cent of the potential VAT refund due will be actually paid.

The small and medium-sized businesses will be most affected since larger businesses can withstand a longer waiting period. These businesses which are compliant entities are being penalized.

Mr. Vice-President, in fact, these businesses are in part funding government operations. The VAT owed to and accrued by businesses is idle assets. Instead, these assets should be in the hands of businesses which can put them to more productive use. The Government should also review the interest rate on the VAT bonds since they are offering 4.5 per cent on public bonds.

Mr. Vice-President, while companies are not allowed to net off VAT refunds against VAT payments due, I am asking the Minister of Finance to treat this matter of the VAT refund bonds with great urgency.

Collection of royalties by the Ministry of Energy and Energy Industries. The function of the Ministry of Energy and Energy Industries is to determine royalties

payable to the Government from companies and lease operators in the oil and gas sector, as well as those mining and processing minerals.

I have looked at the 4th, 14th and 20th reports of the Public Accounts Committee. These reports are titled Examination of the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the financial years 2014, 2016 and 2017 with specific reference to the Ministry of Energy and Energy Industries.

From these reports it is apparent that neither the Ministry nor independent inspectors verified the exchange points between buyer and seller, nor does the Ministry of Energy and Energy Industries independently check the performance of meters. This means that oil and gas production data received from the companies used in the calculation of revenue collectible is not independently verified by the Ministry of Energy and Energy Industries.

It seems that the Ministry of Energy and Energy Industries relies solely on the data produced by the oil and gas companies to determine the royalties to be paid to Trinidad and Tobago. The same applies to the production extraction data from the operators of quarries, sand and gravel pits. The Ministry also does not have a system to capture data from all quarry operators; legal and illegal. Generally, information on the operations of illegal operators is supplied by members of the public. These significant deficiencies have been documented in the reports referenced.

Mr. Vice-President, I am concerned that the country may not be receiving 100 per cent of the royalties due from these resources. In this period of restrained economic activity it is critical that all revenues from all sources are verified and collected accordingly. This must be addressed with urgency.

Competitiveness and ease of doing business. Trinidad and Tobago is ranked

79th out of 144 countries in the 2019 Global Competitive Index Report, and 125th out of 190 countries in the 2019 World Bank ease of doing business report. Clearly, meaningful reforms are necessary to significantly improve Trinidad and Tobago's competitiveness which includes the ease of doing business. Facilitators of investors both local and foreign are imperative for economic growth and job creation. Consequently, there could be a reasonable level of local business activity, import substitution and exports. To establish a more efficient business environment, public institutions must be overhauled. We need more proactive and predictable systems and policies.

Transfers and subsidies: The country needs a plan to reduce the size of government and reliance on transfers and subsidies including the divestment of state assets in a transparent and competitive way and public/private partnerships for major capital projects. A diversification strategy to move Trinidad and Tobago away from the unsupportable dependence on hydrocarbon, carbons, and to promote other economic activities such as alternative and renewable energy and the digital economy should be articulated. Some areas of diversification include the digital economy, renewable energy, carbon dioxide and enhanced oil recovery and alternative energy usage.

Incentive for the use of green-delivery vehicles. Mr. Vice-President, in rush-hour traffic one can observe the extent of fumes and other pollutants emanating from the many vehicles. 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 promote the use of fuel efficient, commercial and delivery vehicles. The upfront cost is a barrier to companies acquiring these fuel-efficient vehicles. Consideration should be given to providing an allowance or incentive so this becomes a viable option for

businesses. In fact, the Government could 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.

Dirty money: Dirty money is money on which tax is not paid to the Government, and this informal economy is estimated to be 34 per cent of GDP. This is not just income from crime, bribes and undeclared real estate deals, for instance. It includes income from hundreds of small businesses, professionals, farmers and self-employed persons who should be paying income tax but who do not, because our tax collection suffers from weaknesses in tax administration, widespread tax evasion and corruption within the public sector. We need to strengthen the country's tax capacity and improve governance in tax collection.

National insurance: Under the current National Insurance Act self-employed individuals fall within the definition of "employed person" and should be registered with the National Insurance Board and pay contributions.

The Minister of Finance acknowledged this in his 2015 budget presentation and indicated that there were no arrangements in place to govern the payment of contributions for or the payment of benefits to these individuals. He proposed to include self-employed individuals in the National Insurance Scheme effective January 01, 2016, however, to this date it has not been done. I urge the Minister to deal with this matter so that self-employed persons can receive an NIS pension when they retire.

I would also like to suggest that the Minister of Finance consider an amnesty for the payment of national insurance contributions. The national insurance fund is seriously underfunded vis-à-vis projected pension payments. There are numerous organizations in arrears with their national insurance contributions, for various reasons, or have failed to register their businesses in the specified time. The

penalties to become compliant are prohibitive, an amnesty could lead to an increase in the contributor base which will have a positive impact on the fund deficit.

Income tax on pensions: Retirees on fixed income pensions should be exempted from income tax and probably all taxes. [*Desk thumping*] They have contributed during their productive working lives and have paid their dues. Paying taxes erodes their already small pensions. I hope some consideration will be given to these comments, observations and suggestions. Thank you, Mr. Vice-President. [*Desk thumping*]

Mr. Vice-President: Minister of Labour and Small Enterprise Development. [*Desk thumping*]

The Minister of Labour and Small Enterprise Development (Sen. The Hon. Jennifer Baptiste-Primus): Thank you very much, Mr. Vice-President. I am very pleased to rise this afternoon in this honourable House to make my contribution on the matter of the Finance Bill, 2019.

This Bill, Mr. Vice-President, as we are all aware, seeks to amend the Income Tax Act, Chap. 75:01, the Corporation Tax Act, Chap. 75:02, the Petroleum Taxes Act, Chap. 75:04, the Customs Act, Chap. 78:01 and the Co-operative Societies Act, Chap. 81:03, which I propose to speak specifically upon as it falls under my portfolio as the Minister of Labour and Small Enterprise Development.

Mr. Vice-President, co-operatives have proven to be very, very valuable institutions for employment creation, wealth generation and community development, especially in economically challenging times, and it also assists those who are vulnerable or more vulnerable in our society.

Co-operatives have existed in Trinidad and Tobago for more than a century

and have assisted many families in achieving major goals such as educational development, home acquisition, savings, income security and so much more.

Mr. Vice-President, I stand before this honourable House today as a product of the co-operative movement. I oft-times say to my fellow co-operators when I have the honour and opportunity to address them, that my whole life is a reflection of the philosophy that drives the co-operative sector because everything I own, as little as I own, I do not own as much as my colleague Sen. Wade Mark and others, [*Laughter*] but the little that I own, [*Crosstalk*] I owe it to the co-operative and credit union sector.

Mr. Vice-President, currently there are 127 active credit unions, and over 600,000 members who stand to benefit from this measure with an asset base of over \$16 billion. We can recall, Mr. Vice-President, the Minister of Finance in his 2020 national budget presentation pronouncing on these issues in the Bill, in particular the focus for me has to do with the co-operative movement.

I am very proud, Mr. Vice-President, to share that we at the Ministry of Labour and Small Enterprise Development, we fondly call ourselves “team MOLSED” because the work of the Ministry is not about the Minister, but about teamwork in delivering the mandate of the Ministry.

From January 2016 to September 2019, we would have held four national consultations which were primarily aimed at strengthening the co-operative movement in Trinidad and Tobago. Emanating from these consultations, a major concern that rebounded time and time again during the discourse, focused on section 41 of the Co-operative Society Act and the need for immediate review. This section, Mr. Vice-President, provides for the beneficiary on the passing of their loved ones to obtain \$5,000 without letters of administration.

Mr. Vice-President, the Minister of Finance in announcing the new proposal

to increase that amount of \$5,000 to \$50,000, did not pick a figure out of a hat, but that figure was informed by careful study. And I want to take the opportunity to put into the records, Mr. Vice-President, the fact that the Ministry of Labour and Small Enterprise Development et al, through our Cooperative Division looked at this issue, considered this issue.

The Acting Commissioner of Co-operatives would have appointed a three-person committee consisting of Ms. Heidi Boos, Legal Officer I, Ms. Antonia White, Legal Officer I and Mr. David Moe, Co-operative Development Specialist, and they developed a position paper which was considered by the executive team at the Ministry, and we would have conveyed our recommendation to the Permanent Secretary, Ministry of Finance in March of this year.

Mr. Vice-President, I would want to share with this honourable House the fact that we noted in particular the restrictions at section 41, the restriction of limiting a member to \$5,000 from the account of a deceased credit union member even where the deceased member may have intended to leave the full amount. The deceased member may have had \$100,000 in the account and intended to leave that full amount for his or her spouse, even in that event it was limited to \$5,000, but there is a rationale for that. Because, you see, Mr. Vice-President, in 1971 when the co-operative—when the CSA was enacted, the sum of \$5,000 was considered a sizable amount, and was thought that amount was really reasonable to handle funeral and related expenses in relation to a deceased member.

However, Mr. Vice-President, we are all aware that in light of the current economic circumstances we recognized that \$5,000 was no longer sufficient to cover the funeral expenses of a deceased member, and that once a beneficiary had been nominated, there should be no limit on the funds paid to the nominated beneficiary.

It was proposed that the \$5,000 restriction be removed and all the funds in the deceased member's account be payable to the nominated beneficiary. There were two sides, there were pros and cons. One side of the coin said, "Listen, allow the members free flow". If it is 100, \$200,000, then allow them to do so, but there was another school of thought, Mr. Vice-President, that cautioned the committee and us at the level of the executive team. And some of the cautions were, one, that if large sums of moneys leave societies immediately upon the death of members, that could have a negative impact on the cash flow of those societies.

Another consideration was that societies may now be open to litigation by the estate of deceased members since large sums of money are paid out, entitled persons may question the authenticity of the named nominee by seeking legal redress. Societies are now open to greater risk of employees defrauding the society to benefit themselves, again, because large sums of moneys are being paid out.

We also considered the grant of probate and the letters of administration, they are subject to the due diligence of the Probate Registry of the High Court of Trinidad and Tobago, and that this process ensures that the correct parties receive moneys owed. This duty of care will now fall on societies which may give rise to legal action by parties who may have a standing to benefit from the estate of the deceased.

So, Mr. Vice-President, we looked at the pros and the cons and we weighed them very carefully and decided that it is only fair that the amount be increased while protecting societies. And therefore, by memorandum dated the 19th of March, 2019, the Permanent Secretary, Ministry of Labour and Small Enterprise Development would have communicated with the Permanent Secretary, Ministry of Finance, conveying to them the position of the Ministry of Labour and Small Enterprise Development and I quote:

After careful consideration of the matter, the Ministry proposes two alternative positions which may be considered. And they are, one, the limit imposed by section 41 of the Co-operative Societies Act, Chap. 81:03 ought to be removed entirely.

Or two, the current limit of \$5,000 be increased to \$40,000.

And as a consequence therefore, Mr. Vice-President, the Minister of Finance in his consideration announced that a new proposal to increase the amount from 5,000 to \$50,000. This adjustment will ensure that beneficiaries can access the necessary funds to assist with funeral expenses especially where the deceased was the breadwinner, thereby helping the family to keep their feet on solid ground while adjusting to life after the loss of a loved one.

3.45 p.m.

Mr. Vice-President, all of us in this Chamber here, over the period of our lives, would have experienced losing a loved one, and not only does that impact on us in a very physical way, but then to have the additional concern that I can only have \$5,000, where am I going to get the balance of the money to bury my loved one? That is a concern that is no longer with the member of the co-operative movement. And I can say, Mr. Vice-President, that this decision by the Minister of Finance has been embraced, welcomed with great happiness by everyone that I know belonging to the co-operative sector. I too am very happy about that. [*Desk thumping*] The Minister of Finance indicated that this measure will take effect on the 1st of January 2020. In relation to this proposal it should be noted that currently section 41(1) and (3) of the Co-operative Societies Act, that provision will still be in place, the \$5,000, up to the 31st of this month, which is the 31st of December.

Mr. Vice-President, it is important to note that under the current law, all other moneys due to the deceased member from the co-operative society shall be

paid into his or her estate and be subjected to, in all respects, the laws relating to inheritance of this country. It is this requirement that has been a burden to the average citizen who is a member of a co-operative society, and has been unable in the past to access funds required to provide the deceased member with a proper funeral or to take care of necessary arrangements within a reasonable time frame. Mr. Vice-President, the current legislation, the Co-operative Societies Act of 1971, our research reveals that the average cost of a funeral in this country, at the lower end of the ladder approximates about \$8,000, and at the higher end it can go to 50,000 or more, depending on the financial position of the person or the family of the person who would have transitioned to the ancestors.

Mr. Vice-President, I would wish to highlight that if the benefit is increased the named nominees will be able to access these funds immediately as 1st of January 2020 enters, and the balance at a later date upon the probate of letters. So that, this increase, this substantial increase will represent a great improvement in the way credit unions and other co-operative societies do business and provide relief for its members. It should be noted that this amendment to the Co-operative Societies Act, Chap. 81:03, is but one of the important changes to this Act, Chap. 81:03. The Ministry of Labour and Small Enterprise Development, as part of the labour legislative reform process has identified that co-operative societies act as one of the key pieces of legislation requiring review and amendment. To this end, as I indicated earlier, we would have held four consultations, and we are in the process of revising the national policy on co-operatives and developing a legislative policy for the amendment to this piece of legislation.

These are all being undertaken in a highly consultative and participatory process, because we believe that consultation is the bedrock of any good amendment, or the development of any good piece of legislation, and therefore

despite the fact that we may be accused of consulting too much, I would point out that I would rather as the Minister of Labour and Small Enterprise Development, be accused of consulting too much than not consulting at all, because at the end of the day any amendment that comes to this honourable House, or any legislation, I would bring it with the full confidence that all the stakeholders involved buy in to what is being placed before this honourable House, and in the other place. We at the Ministry of Labour and Small Enterprise Development, Teemal said, we believe and we act through the philosophy, consultation, consultation, consultation.

Mr. Vice-President, these initiatives would further enhance the growth and development and sustainability of the co-operative movement. Mr. Vice-President, you would have, this honourable House—the Members of this honourable House and good self, would have heard the Minister of Finance also make a pronouncement that the co-operative movement will be placed under an independent authority reporting to the Minister of Finance, and as a consequence therefore, we at the Ministry of Labour and Small Enterprise Development, moving in that direction, we are laying that foundation that would assist that process. Because that independent authority, and there is agreement with the stakeholders from the co-operative movement, for the establishment of this independent authority that would comprise members of their sector, members of the Government, with an independent chairman. And, Mr. Vice-President, I would want to take the opportunity, my colleague is not here at the moment, he probably just stepped out, to thank my colleague, the Minister of Public Utilities, Sen. The Hon. Robert Le Hunte, for heading this, a Cabinet appointed committee, and my colleague Sen. West, and my memory does not permit me to remember the—

Sen. West: Sen. Gopee-Scoon and Minister Hinds.

Sen. The Hon. J. Baptiste-Primus: Sen. Gopee-Scoon and Minister Hinds,

formed that subcommittee of the Cabinet, where they met with the sector and developed—arrived at certain recommendation which the Cabinet accepted, and the document that came before the Cabinet was entitled, “The Future Role of the Credit Union”.

And, Mr. Vice-President, two important aspects of that document that came to Cabinet would have been the appointment, the establishment of that independent authority, and there was unanimous consensus that the board of directors of that new independent authority would report to the Ministry of Finance, with equal numbers of persons representing the Government and the sector, as I said before, with that independent chairman. In the meanwhile, we are focusing on the low hanging fruits that is institutional strengthening of the co-operative division of the Ministry. Because you see, Mr. Vice-President, the co-operative sector has literally exploded over the years. You would have heard me point out earlier that the sector has over 600,000 members, with a base of \$16 billion. We did an analysis of our co-operative division, and we recognized that there is need for institutional strengthening. There is need for the creation of certain positions that would facilitate credit unions, because we have requests from credit unions to invest \$100 million, and therefore in guiding these credit unions we have to make sure that we have the correct level of professionals and staff in order to guide them in the right direction. And I am very pleased to share, Mr. Vice-President, that in carrying out the instructions of the Cabinet to meet with the Central Bank, Teemal said, and met with the Governor of the Central Bank and his team very recently, where we would have discussed this issue, and we have agreed on a framework in moving forward, so that I anticipate that over the next couple months we would be seeing some rapid movements within the co-operative division, which would ultimately lead to Cabinet being asked to create certain positions pending the

transition to this new independent authority in the very near future.

So that, Mr. Vice-President, as I close I encourage all of us to continue to work together in achieving the goals of this nation. As we go into the festive season I urge us all to do what we can to help these around us, and to remember that we are each our brother's keepers. Mr. Vice-President, I want to thank you for the opportunity to contribute to this debate. I thank you. [*Desk thumping*]

Sen. Sean Sobers: Thank you, Mr. Vice-President, for recognizing me this afternoon to contribute to this Finance Bill, 2019. Now, I had a particular structure in place, but I would seek to treat with an issue that would have just arose based upon the hon. Minister of Labour and Small Enterprise Development's contribution.

Generally when we or members of the public, whether we are in this House or in the other place, that we are going to discuss a Bill as it pertains to finance, it has become the feeling of the people that they hear those words with a certain degree of fear and trepidation, because they believe that more than likely it is some measure to tax the population and it would have been a very difficult task sometimes in explaining to members of the public that no, not every single Finance Bill that comes to the House has to deal with tax. But to be honest you really cannot blame the population, unfortunately they have grown accustomed to that type of relationship with this particular administration. And it resounded to what actually transpired last week Monday when the public sent a proper message to the Government that they are in no way [*Desk thumping*] in agreement with respect to how these measures are being meted out to them.

But, as it pertains to what was raised by the hon. Minister of Labour and Small Enterprise Development, she touched on clause 8 of the Bill, so I will go directly to clause 8 because clause 8 deals with this amendment to the Co-operative

Societies Act. Now, simply it deals with this increase of money payable to a nominee or a legal personal representative of a deceased member. And that is where I want the public to really understand what the Act is really going to say or what it does. I can in fact understand and appreciate that many persons when they lose a loved one how traumatic the situation and the circumstances could in fact be, and in some instances where there are no moneys available to treat with burial and funeral expenses, and the individual is aware that the deceased person may have had some funds within a co-operative society or a credit union, that the usage of those funds at that point in time would be very much a welcomed position.

The way in which the law currently stands or operates with respect to administering deceased persons property is quite clear, and I think it has not been said enough or it has not been said at all how such situations occur. You generally hear persons talking on the street that they need to get some letter of administration, or some probate document, or the document in probate and it taking so many years and I cannot access this and I cannot access that, and it tie up, and all sorts of things, and then they want to blame the lawyer and then blame the court, and all sorts of foolishness for why the estate or the administration of the estate is not moving as it is supposed to. So that when persons are now hearing that really and truly without such document being in their possession they would now be able to access moneys within a co-operative or credit union, they will say, "Well hey, this is a good thing", and where the ceiling for such funds is being raised from \$5,000 to \$50,000, why not? The problem with that is this, in terms of understanding when someone passes, you either pass having already prepared and left a will, which would mean then that you would have died as a testator, or you die without having done a will, which would mean then that you died intestate. That is as simple as it could get.

I think everyone who is listening or who is watching would know what a will is. It is a document that you would basically indicate what your possessions are and who you intend to leave it for, and you would have a witness—two witnesses. So you do the document whether by a lawyer or by yourself and that is your will, which could be changed at any point in time. And then for those persons who for whatever reason may have never gotten the opportunity to so do a document of that nature, they die intestate, and we have the Administration of Estates Act, which would deal with something called, “the rules of intestacy”. It outlines the persons who are your next of kin, your immediate relatives then, who would be able to claim your assets based upon these rules. So the rules would stipulate then that the spouse of a deceased person would be the first in line to claim, and then it would go on to children, and parents, and then brothers and sisters of the whole blood and half blood, and then it goes on and on and on, to as far low down as nephews and nieces and whatnot.

But, the reason why the Administration of Estates Act is set up like that, is because the law contemplates a particular number of situations then where persons who may have been closely related to a deceased person should be allowed to administer their estate. And what the Co-operative Societies Act states at section 41 is that:

“Where a person has been nominated as beneficiary by a member in accordance with the bye-laws of a society and such nominee is admitted to membership in the society, the society shall within one year of the death of the member by whom the nomination was made, transfer the shares or interest of such deceased member subject to the limits specified in subsection (3)” —which currently stands at \$5,000—“to the nominee.”

This is the interesting part. So in terms of a person being a nominee, usually when

you open up an account at a credit union you would indicate who is the benefit or the beneficiary of the funds in the account. But when you read on:

“Where, however, such nominee is not admitted to membership in the society or where the deceased member made no such nomination, the society shall within one year of the death of such deceased member pay to the nominee or legal personal representative of the deceased member as the case may be, such sum, not exceeding the said limit, representing the value or part thereof of deceased member’s shares or interest in the society.”

Many persons who open up accounts in credit unions and co-operative societies, for whatever reason, may not name a beneficiary. So there is no named nominee associated with the account save and except for the account holder who may very well be deceased in this particular instance. Well, has to be deceased. And what you would have is persons who may very well be related to the deceased person who are not named beneficiaries or are not named nominees according to this Act, going in to the co-operative society or the credit union and asking for the funds within the account. Now the general position of the union, the credit union or the co-operative society it to say, “Listen, you need to go and get letters of administration or grant of probate if there was a will to access the funds in the account, but we are able now to give you \$5,000.”

Now for me the first time that this occurred for me in practice was wherein an individual came to me, told me that her husband had passed away and she wanted to do up the letters of administration for the husband's assets because he left no will. So I said no problem, I asked for certain documentation, she brought it in, and when I started to prepare the inventory, which is a list of the assets of the estate itself for the deceased individual, I noticed that there was a credit union account, and she indicated to me, “Oh yeah well I already went into the credit

union. I know that the moneys in the union is about \$25,000, but they gave me \$5,000.” So I said okay, well that is a little bit strange, how did you come to get that money from the credit union? Well, I told them I am his wife and I want the money in the account.” So I say, “Well, what documents did you present?” “Just the death certificate.” I say, “Did they ask you for the marriage certificate?” No. And on the death certificate she is named as the informant to the death certificate, so based upon that they said that she is the LPR and they gave her the funds in the account, the \$5,000.

Now, I mean, to any lawyer—*[Interruption]* No, no named beneficiary, and the law prescribes it for that. Right? And that that is what I am saying, so there is the fly in the ointment. You are a person who is not named as the beneficiary, presenting these documents to the credit union and they are giving you this \$5,000. *[Interruption]* No, I mean in that case she was the wife of the deceased person. But what if it is someone else? Being an informant on a death certificate is not a difficult task to achieve. Any Tom Jones who goes to the police and tells them, well listen, X was the house or whatever, you are living next door to the person or you are living within the home with the person like that—

Sen. Baptiste-Primus: Senator, just one moment please.

Sen. S. Sobers: Of course, yes.

Sen. Baptiste-Primus: Mr. Vice-President, I would just like to put into the records that that scenario, that scenario really is not the norm. When you go you have to present your marriage certificate and a death certificate, so someone made an error within that credit union.

Sen. S. Sobers: And I am grateful for that, but even in such a situation, hon. Minister, you are the wife, so you do in fact present the marriage certificate and a death certificate, but let us say your husband had a will and you were not aware

that he had a will, so you were operating under the premise then that we will go with letters of administration, because I know my husband does not have a will. But this time, and I am just saying X person, right, this time X person's deceased husband had a will wherein he named his outside woman the person who will get all the money.

Sen. Baptiste-Primus: That is why you all must not behave like that.

Sen. S. Sobers: No, I said someone. I said someone. I have not cast any aspersions on anybody, right?

Sen. Baptiste-Primus: You all must not behave like that!

Sen. S. Sobers: Outside woman, right. [*Laughter*]

Sen. Baptiste-Primus: You must not behave like that.

Sen. S. Sobers: So, he names his outside woman the person who will receive all the money—

Sen. Ameen: Say someone else.

Sen. S. Sobers:—in that particular account at the co-operative society or the credit union, and for his wife he leaves everything else, the beautiful house, and the lovely car, and moneys in the other bank accounts and what not. But that particular amount of money in the co-operative society he has left for this outside character. What would happen to the individual then? You would have a situation where you would have the letters of administration going before the registry to be vetted, and then you would have the outside woman or the individual who is on the outside—and you see the thing is this, Mr. Vice-President, I intend in no way to be facetious, because I would have dealt with a particular matter along those lines, where a person would have passed away in a home, he was living with a particular individual, he was a bit estranged from some relatives that he had, and he had a will that he gave to those relatives. This particular woman lived with him. She

cohabited with him from time to time, not according to the Cohabitation Relationships Act, and that particular woman, when the gentleman passed away, ran to the police station, became the informant on the death certificate and then went and started to access certain moneys the gentleman had in co-operative societies account, and then also would have gone to an attorney and started the process for letters of administration, and there was a valid will in place to treat with this particular gentleman.

And this is why in terms of how it is structured now to now increase that ceiling, that limit now to \$50,000, you could imagine the types of activities we could have here with such a ceiling being raised. Now, I could appreciate, as I said when I began, how difficult it would be when someone dies and you would want to have moneys to treat with funeral expenses and whatnot. But I know in terms of the national insurance you could procure moneys from the national insurance for burial as well too, to assist with respect to offsetting under \$7,000, and I am thinking then why do we not then equate—if we are raising the limit to equate to the same \$7,000 that is available in the national insurance, to help prevent any unwanted access of funds in the co-operative society.

I do appreciate that it takes a long period of time for persons to possibly procure the grant of letters of administration, and the grant of probate from the registry in the High Court. It takes a long time. Sometimes it takes years, because there are documents that have to be vetted. There would be documents that have to be done over, signatures missing. Sometimes the queries that come out from the registry itself are quite frustrating. And I know in terms of the system there, they have now started to send out the queries itself via emails to the lawyers, the lawyers have records and whatnot there. Before you had to send a clerk to Port of Spain ever so often to check your file, as an attorney, to determine whether or not

you had any queries there. It used to take months. It still takes quite some time. But in terms of interfering with this particular section and raising the ceiling, you could actually be opening up yourself to a can of worms with respect to the types of persons that may be going out there to fleece these credit unions of this money and really disinherit the persons who are actually entitled to these sums of moneys. Because I do not believe the credit unions do the types of checks that they need to before issuing these funds, having dealt with positions like that as an attorney in practice as well too. So, I just wanted to put that on the record.

Now, also when I looked at the Bill itself, I looked at clause 3 in particular, and clause 3 dealt with the Income Tax Act as it pertains to this solar water heater situation. Now, I think in terms of encouraging persons to utilize solar water heaters instead of the normal electric heaters is in fact a welcomed approach. My only issue is that I am wondering in terms of the roll out of such a situation, what has really and truly been done by the Government to ensure that persons aggressively approach this situation, or aggressively adopt the use of solar water heaters? This comes in tandem with other things that would have come out of the budget presentation earlier this term with respect to the LED bulbs and whatnot. And all of these things go into energy saving, and the use that we would have from natural gas in terms of saving on energy and funnelling it to downstream industries in Point Lisas and what not, so that we would be able to export more lucrative refined products such as urea and whatnot and whatnot, and I am all for that because, again, as I said in my budget contribution, it is not something new, it is not something novel, this was actually started by a People's Partnership administration in 2010 or 2011. We were the ones to come first with respect to solar water heaters in terms of energy saving and tax saving measures. We were the ones to come first with respect to LED bulbs. [*Desk thumping*] It is still on the

record. No one has disproved that submission, try and try and try as they may like, they have not stood up and said that it was not true. They claimed they looked for the document high and low, but they could not find anything, and I offered to send them the documentation so that they would be able to utilize it, to continue the work that we would have done as well too.

Sen. S. Hosein: Probably you need to give them a bulb.

Sen. S. Sobers: Well, I do not know if that would help, whee. But in terms of picking up where we have left off, what have you done since 2010/2011? What matriculation have you used to measure the efficacy of measures, these particular measures that you intend to roll out?

You have come to the Parliament in terms of 2015/2016 with respect to rolling out hybrid vehicles and CNG vehicles. But how many persons, apart from just purchasing the hybrid vehicles because they came out to be a bit cheaper, understand the benefit that is accrued to a society environmentally by using hybrid vehicles and utilizing CNG vehicles? In terms of leading by example as a government and an administration, how many state vehicles in state enterprises and state entities are now hybrid, or are vehicles that use CNG?

In terms of the HDC projects that they would have indicated they intend to use solar water heaters and what not, how many HDC projects that have started actually utilize— *[Interruption]* Well, this is the thing, they are not. Some of the houses that are being constructed in the first place, you know, we would question whether or not the person should be living there in the first place, right—our brothers and sisters in Moruga. And then, in terms of speaking about putting solar water heaters within these units, how many HDC projects actually utilize the solar water heaters? How many of these HDC projects that have taken off the ground actually now would use these LED bulbs? We have not gotten any information to

demonstrate that the Government is actually leading by example. And then in terms of what we intend or hope to procure from moving to these energy saving methods, what alternative industries have created, or the genesis of alternative industries have come alive based upon these measures?

4.15 p.m.

I know in terms of comparison, right here within the Caribbean, we could look to Barbados that has used a lot of these solar water heating instruments within their homes. At a point in time, I am aware that Barbados was third per capita in the world for solar water heaters. They actually have an industry where they create these solar water heaters. And as a matter of fact, the Bajan Government would have implemented penalties for the importation of electric water heaters to ensure that the citizens make that environmentally conscious choice to adopt the use of solar water heaters. But we have not seen that in terms of any measures being meted out by this particular administration.

So it appears then, again, as we have been saying constantly, it is always a piecemeal approach to treating with things, a constant fumbling and toddling in the dark. And as such, much as we talk about energy and light bulbs, it does not seem that the lights are home in the PNM administration. [*Desk thumping*] Because when last I was here in terms of treating with this particular issue, I indicated to the Government the way in which education and awareness would have gone a very long way with respect to rolling out the LED bulbs under our tenure, under the People's Partnership administration. And I would have thought that my friends opposite would have utilized some of that information in terms of their rolling out. [*Crosstalk*] But obviously, obviously, obviously, based upon certain—

Sen. S. Hosein: “He vex dey loss Siparia.”

Sen. S. Sobers: Yeah. So that the only thing that I guess my friends on the other

side would have taken from that was to run down to Fyzabad and light up the streets down there, [*Laughter and desk thumping*] as opposed to lighting up the rest of the country, right. And what my friends have to understand on the other side, is that lighting up part of a country during an election period will not win you any election points. [*Desk thumping*] Because all you benefited from that was a proper sound cut tail that sent you back up the road packing. [*Desk thumping*]

So this is what I am getting at. You know, in terms of education, it is clearly lacking and, Mr. Vice-President, if you would allow me, when our leader would have ventured into the other place and would have dealt with respect to the “National Economic Transformation Plan 2020-2025”, she dealt with issues regarding energy and energy saving measures. [*Desk thumping*] She outlined:

“The”—UNC’s commitment—“to ensuring sustainable energy future for Trinidad and Tobago by strategic transformation of the energy matrix of our country.”

She indicated, in no uncertain terms, that:

“The world is approaching a point where fossil fuels (oil gas and coal) are becoming depleted amidst increasing concern about climate change and environmental destruction.”

And indicated then, Mr. Vice-President, the establishment of plans that we intend to roll out once the public gives us another opportunity at governing this country, which is very soon on the horizons. [*Desk thumping*] That we intend to establish a solar tech park with the Tamana InTech Park, that:

“The “Solar-Tech” Park will develop energy-efficient modular solar solutions which can be retrofitted to existing buildings or integrated into new construction projects and used in several other areas such as marine, communication and transport.”

She would have gone on to indicate:

“All public institutions will be mandated to purchase electric vehicles for their fleets.”

“A pilot project”— would be started— “with the PTSC fleet and then”— extended to — “WASA, T&TEC and TTPost.”

Right, and that is leading by example. Right? That:

“...provide incentives for the private sector to use solar energy charging stations for electric vehicles, install solar carports, repurpose electric vehicle batteries beyond their useful life.”

And she went on to name many other things in terms of:

“Public housing development built by the HDC or other government agencies will be outfitted with renewable energy technologies...”

And, you know, talk about:

“Also”— street lighting a— “new public housing development”— with— “solar and/or wind-powered.”

And it goes to show in terms of when we present viable plans we actually have a lot of thought involved in those plans. [*Desk thumping*] Because everything that we do in terms of our presentation to this particular country is always with the people in mind and a proper future for the persons within our country. [*Desk thumping*]

So I would have definitely liked to see a lot more instead of just saying, “Well listen, we are just going to give tax incentives.” I mean I understand, I got an education today in terms of what was put on the record by the hon. Minister in the Ministry of Finance with respect to the tax incentives, and again, it is a welcomed approach but more needs to be done. And I thought at this stage, two months onwards from the budget, we would have been getting a comprehensive report as

to how the Government would have intended to roll these things out and what they would have done thus far.

Now, I also looked briefly at clause 7 of the Bill itself and—

Mr. Vice-President: Hon. Senators, it is now 4.20 p.m. and I think we will take the tea break. We shall return at 5.00 p.m. This House now stands suspended until 5.00 p.m.

4.20 p.m.: *Sitting suspended.*

5.00 p.m.: *Sitting resumed.*

Mr. Vice-President: Sen. Sobers, you have 15 more minutes. [*Desk thumping*]

Sen. S. Sobers: Thank you, Mr. Vice-President. I would not take up the full time, but to touch on clause 7 in particular. So clause 7 is the particular part of the Bill that deals with the customs increase from \$3,000 to \$5,000. Now, in principle, my position is that I do not really and truly have a difficulty with the increase itself. But when I considered in terms of the feeling, the environment persons are in when they are coming back to Trinidad, some persons when they take a trip—I could recall the first time that I took a trip to the States. It is a feeling of euphoria to leave our shores to go somewhere else and, I mean, sometimes when you as a family—in my situation, there were six of us, we had to save for a considerable amount of time before we were actually able to make that trip. And having saved and gone away and procured items in the US and in foreign jurisdictions, to come back home sometimes thinking then that you are going to be subjected to members of the Customs Division going through your personal effects to determine whether or not items procured away would have been for personal use.

I mean, the spirit of this particular section is set up to ensure then that there are those who are commercial or retail sellers, who would go away and purchase a lot of items that they intend to resell here in Trinidad, and in an effort to escape

paying proper duties that they should pay on these items, because they intend to resell them, they would go away and fill their suitcases and come back. And those are the persons that I think that the Act is really trying to capture. But for the families, the individuals, who would have saved and would have gone away, and would have purchased some goods, when they return, in terms of how the procedure is at the airport, it really begs the question as to whether or not maybe some thought should have gone into, at the appropriate stage, to treat with the Customs Act with respect to that particular section.

Because persons are really and truly subjected to customs officers— in some instance, not all, very few I might say— who would simply give arbitrary prices to items or make arbitrary decisions on the floor to indicate that that is a brand new item or why you have two or three of that, you intend to sell it, and all sorts of foolishness that would allow them now to say, “Listen, you have exceeded your personal allowance and you have to pay on this, and you have to pay on that”. And there is no real way to—even in terms of the appeal process at the airport or ports of entry with respect to this particular situation, it is also not done in a proper manner set out to really allow for persons who may be aggrieved by the situation to procure a feeling of justice prevailing in their particular case.

And even around this Christmas season, when many persons may go away to purchase things for their own personal use— I know of situations that I have been in because we would have been called as lawyers to sometimes attend proceedings at the airport itself, where persons would purchase things personally and then in terms of being subjected to search, some officials, very few as I said before, not all, very, very few, would be literally sitting down behind the desk after opening up your suitcase and telling you, “Well listen, yuh see dat, dat hadda stay or yuh hadda pay X, Y and Z amount of money.” And you have a lot of persons

who are ignorant of the law and would just give up these items.

So there is a level of corrupt practices that prevail within these situations that I think apart from just looking at raising the personal allowance that one would get in terms of exemptions, which I said before is a welcomed approach, holistically, in terms of the practice at the airport itself and other ports of entry with respect to the manner in which officers would arbitrate over what could be considered to be personal effects, there should be a proper procedure and practice in place and it should not just be left whimsically to any particular customs officer and how they feel or how they wake up on that side of the bed in that particular morning or whatever the case is.

Apart from that, Mr. Vice-President, I must say the measures within this particular Bill, I mean, some of them may in fact be welcomed; others we would have our reservations about. I think in terms of effective approach and in terms of properly ensuring that members of the public do not only just hear about these measures, they actually feel these measures and they are educated as to the efficacy of these measures and how it would better individuals' daily activities and their daily lives. I think the Government really did not do as much as they should have.

More education, more marketing of the measures, a better implementation would have gone a much greater and longer way to ensure that people really appreciate what could in fact be procured from these measures within this particular Bill. I hope in terms of the wrap up that we get some of that information, if it is that activities of that nature have in fact been executed by this administration, we get some of that information from the wrap up from other speakers. And we hope that in future, a better approach would be done with respect to finance legislation. I thank you, Mr. Vice-President. [*Desk thumping*]

Sen. Amrita Deonarine: Thank you, Mr. Vice-President, for the opportunity to

contribute to the debate today. Upon looking at this piece of legislation, it is clear that the Government understands the dampened economic environment in which we are operating in. After cutting expenditure and having to resort to increasing taxes in various form over the past couple of years, they have recognized that there has been a slide in the economy and, as a result, is attempting to implement some sort of incentives not only in the energy sector but also in the non-energy sector. But at the same time—[*Desk thumping and laughter*]

Sen. Ameen: “You on yuh own boy”.

Sen. A. Deonarine: But at the same time, there is still fiscal deficit that we are operating, a deficit that stands at 3.1 per cent of GDP. And as a result, I see a consequential amendment in clause 2 of the Bill here today to amend the Treasury Bills Act.

Now today, Mr. Vice-President, I would be brief, I would like to touch on firstly, clause 3 and clause 9 which looks at the energy loss relief and the capital allowance to the energy companies. Now, with respect to this revenue raising measure in the energy sector, it is a measure that is much needed, but these measures are just a start to the reform of the revenue collection in the energy sector. A lot of focus needs be placed on increasing revenues in the energy sector by tightening up the loose ends. I am sure the hon. Minister of Finance is working assiduously in improving inefficiencies to stop revenue leakages in the energy sector.

We have been hearing time and time again that the selling price reported to the Trinidad and Tobago Government on which energy companies are taxed appears to be lower than the price at which it was actually sold. The Gas Master Report completed by Poten & Partners in September 2015 have indicated that Trinidad and Tobago continues to lose up to US \$1.5 billion annually in revenue.

That is from the energy sector. Poten & Partners have also determined that transfer pricing is the main cause for under reporting of revenue by energy companies in Trinidad and Tobago. We need to tackle this problem and introduce legislation to deal with it.

Based on my research, the last time I saw mention was made of it in this honourable House would have been during the 2017/2018 budget presentation when the hon. Minister indicated that groundwork was being laid to lay this legislation. So I humbly ask on the status of this preparatory work. The longer we take, the more revenues are eroded away and, of course, when prices fall together with a decline in production, we are faced with a double whammy on the Treasury.

Mr. Vice-President, I would like to touch on the clause which addresses first time exports to Caricom. Now, intra-regional exports within Caricom accounts for around 14 per cent of our total exports. That is based on 2017 World Integrated Trade Solution data. So it makes sense to give these producers and manufacturers that incentives so that they are allowed to reach out and promote themselves to the regional market and facilitate market penetration.

Businesses would be able to capture a lot of benefits especially in Guyana that is reported to experience significant growth in the next couple of years. It has the potential to boost trade in services and boost local manufacturing. Because, Mr. Vice-President, trade complementarity lies with the Caribbean, Latin American and Central America. Now when I say “trade complementarity” what I mean is that the exports in Trinidad and Tobago is best matched with the import of Caricom Latin America and Central America. Now this was reported in the international trade policy laid by the Ministry of Trade and Industry.

On the other hand, I also understand the need to restrict the benefit to first time exporters only. I do not think the Caricom Treaty would allow for prolonged

export subsidies for member countries. So some may say that how, why is it just first time exporters we are allowing this benefit to? Why not extend it to exporters who export beyond the first time of entering a country? I believe the restrictions in the Caricom Treaty have some sort of restriction in the level of subsidies that we can provide to exporters in the region.

Clause 4 also I think makes some amendments to the corporation tax and corporation tax allowance to companies in the creative sectors. And this includes companies that are in the business of producing audiovisual, video fashion and art for purposes of education, local entertainment, local culture and they can now claim on expenditure for producing up to \$6 million. Now, my comment on this is that this is increasing the export subsidy in the industry indefinitely. And while it can facilitate these firms establishing themselves globally, over time it can work against firms' productive efficiency and hence, as a result, have a negative impact on their competitiveness at a global level. As such I would suggest implementing this for a defined period of time, maybe not exceeding five years.

According to classical international trade theory, it purports that there are overall negative welfare effects from implementing protectionist policies, such as exports subsidies in a small, open economy. Over time, the cost to taxpayers becomes burdensome and they are deadweight losses on productive efficiency. Now when I say, "deadweight losses" I refer to allocated inefficiencies, I refer to economic disadvantages.

Now I wanted to actually jump straight to clause 2. When I saw the Bill that was the first thing that jumps out of me, which interferes with the power of the Minister to burrow under the Treasury Bills Act. Now, Mr. Vice-President, upon my first time in this House and my first Finance Bill not too long after my appointment, I had buried myself in research in all these different legislation that

looks at the debt threshold for various areas. And it seems to be a trend that each time right after an election, a government comes into this House laying legislation for debate for approvals for increase. And what I found was that in 2011, the Development Loans Act was amended from \$20 billion to \$30 billion; the Guarantee of Loans Act, that is the Companies Act, was amended to increase from \$9 billion to \$26 billion. Then again, the Development Loans Act, External Loans Act, Guarantee of Loans Act in 2015 all experienced an increase. Not to forget the Government Savings Bond Act and the Central Bank Act which recently received amendments too. And we are here today, again, asking this honourable House to be okay with an increase in the Treasury Bills Act.

Now, Mr. Vice-President, the Monetary Policy Report from the Central Bank of Trinidad and Tobago recently released, indicated that we are still operating in a subdued environment. And I pulled out some statistics from the Monetary Policy Report. So despite reporting a lower fiscal deficit for the last fiscal period, that is fiscal 2018/2019, it has been primarily because of the tax amnesty which came in at around \$2.4 billion. The Monetary Policy Report also indicated that the energy sector production is down; natural gas production has averaged to 3.5 BFCF in the first six months of 2019; crude oil production has declined by 12 per cent, drilling is under decline and refining, of course, has contracted by about 18 per cent because of the closure of the Petrotrin refinery.

We have also recorded a fiscal deficit in the non-energy sector averaging around \$2 billion. Balance of payment deficit recently reported 6 per cent of GDP; that is for quarter two of 2019. And interestingly, the labour force participation rate has been declined. Now what this tells me, Mr. Vice-President, is that the fiscal accounts of Trinidad and Tobago continues to be restrained. And I looked at the debt servicing requirements and I made this point during the budget debate that

our debt service requirements have exceeded capital expenditure since 2016. Debt service today, well, based on the *Draft Estimates of Expenditure*, is estimated at \$8.6 billion. The net public sector debt as of September 2019 is \$103 billion, 63.3 per cent of GDP, a mere 1.7 per cent below the 65 per cent threshold established by our hon. Minister of finance. Domestic debt between October 2018 and September 2019 moved from—was recorded at \$7.7 billion of which \$1.4 billion were debt management bills.

So, what are these debt management bills? Now, these debt management bills are bills that are issued under the Treasury Bills Act and, well of course, it is a type of Treasury bill. But let us not confuse debt management treasury bills with open market operations treasury bills. Open market operations treasury bills is a monetary policy tool used by the Central Bank and the moneys derived from this monetary policy operation is usually put into a sterilized account. This type of policy is usually used to maintain the level of liquidity or to remove liquidity in the system when too much is circulating and we have inflationary pressures being created.

Debt management treasury bills, on the other hand, the proceeds from selling these bills—now these bills are usually sold to the general public, public institutions and other designated persons who may not be primary dealers. Open market operation treasury bills are usually sold to commercial banks and primary dealers. So the proceeds from debt management bills goes into the Consolidated Fund and it is used to finance government operations. Now we must bear in mind these are short-term debt instruments that usually do not exceed more than one year. So, as a result, I believe and I think the hon. Minister did indicate that this is to be used as a short-term debt management tool.

So, in March of 2019, the Central Bank auctioned these debt management

bills at around \$1.5 billion. According to data from the Central Bank database as of June 2019, \$2.7 billion was recorded as outstanding payments for debt management bills. Therefore, this means that we have around \$2.3 billion remaining under the Act, because the Act currently exists at \$5 billion. Is it that we intend to issue these “t” bills that amounts to around \$4.3 billion? What are the finances going to be used for? Is it as wages, is it salaries? What type of short-term expenditure are we using these finances that we raised, to finance? And I asked this because, while it is indeed cheaper to borrow via issuing these debt instruments, I think the Minister said around 2 per cent, I looked for this year on Central Bank and it is around 1.08 per cent, which is significantly cheaper. Right? But, I am again concerned about the overdraft at the Central Bank. Is it that we now have to resort to this form of short-term financing because the limit on the overdraft is probably at its capacity? Because the last time I raised a question in this honourable House, I know the balance fluctuates, it was answered to me that it is currently at 87 per cent its capacity. So just a question for clarification.

Another point on clause 2 which deals with these “t” bills is with respect to its account to the debt to GDP ratio. “T” bills, just like the overdraft facility, is not included in the debt to GDP ratio. So, in my view, the debt to GDP ratio is not always an adequate reflection on how a true reflection on our debt, but international benchmarks resort to this indicator anyway.

So, Mr. Vice-President, as I begin to wrap up, well, as I wrap up, the issue on clause 2 tells me that we need to continue to exercise some sort of fiscal restraint. Although recognizing that we have to provide incentives for the country, we also need to create avenues for short-term improvements in revenue. With those few words, Mr. Vice-President, I thank you.

The Minister of Public Utilities (Sen. The Hon. Robert Le Hunte): [*Desk*

thumping] Mr. Vice-President, the hon. Minister of Finance would have presented the Finance Bill in the House of Representatives last week Friday. This Bill is now before us in the Senate and I am indeed happy to stand in support of it. Mr. Vice-President, it is no—it is not surprising to anyone and I heard the Independent Senator speak about the positions of which this Government has had to take and to deal with this economy having been given the dubious task of bringing this country from a state of financial disaster.

5.25 p.m.

I think we are all aware—and, you know, to some extent I heard Minister—our Sen. Mark in his contribution—

Hon. Senators: Minister Mark. [*Desk thumping*]

Sen. The Hon. R. Le Hunte:—Sen. Mark speak about a number of issues, and he went on and on and talked about gas price and he talked about, in some cases, the incentives not being big enough, and so forth. You know, I want some of us to remember, as we talk about gas and we talk about gas levels, and we talk about the fact that it is not a 3.8 billion cubic feet per day and it is really a 3.7 or 3.6, he was trying to make us believe, the truth of the matter is when we came, we inherited an economy with it down to 3.2. That is a little bit of reality that we all need to also face. A lot of times I have heard about what it is that we should have—what is not being done and what could have been done, but, you know, you will never hear anybody giving you any idea of how you would have managed within the State, and what we presently have.

And before going on, I want to bring and put again—put that into context. Everything that we do needs to be put into context of what is the reality. The truth of the matter is, from a revenue perspective over the last four years, the equivalent period, or the five years of revenue based on the information and the facts before

us, we are talking about \$263 billion in revenue. You compare that to the four years and the projected revenue to come, you are talking about, over the period, the equivalent five-year period, this country is faced with close to \$60 billion less in revenue. That is a fact. So we talk about what it is and what could be, and what “coulda, shoulda, woulda”. Put this in the context of a country that is facing \$60 billion less revenue.

I have heard a lot of conversation about debt and how this Government borrows, and taxes, and we only borrow, borrow, borrow. And I know—I want to again put on the record the level of debt that was spent, or the amount of debt that the country incurred in the previous five years and in this projected five years. And you are talking about October 09th to September 10th, this country had a debt of about \$45.4 billion. That is the figure for the net public sector debt—\$45.4 billion. Between the period October 14th to September 15th, right around the time when there was a change, we ended up at \$76 billion—\$76.5 billion, to be exact. Do the math. You will get close to \$31.5 billion in debt that was incurred.

So you are talking about a government, as I said—let us compare, let us understand. All right? Thirty-one billion dollars in debt, I agree. Today the debt is at 102. So you are moving from 76 to 102. Do the math again. That is about \$26 billion. So as a country faced with having to make some prudent decisions because of what you have in front of you, we are a country that is operating with close to \$50 billion to \$60 billion less in income. And even when we had all that income, we still incurred close to \$31 billion increase in debt. We are now operating with relatively less debt and less income because of our financial circumstances.

So those are some realities that we need to face. We talked about—Sen. Mark spoke about, you know—well, he talked about the oil companies and the fact that the amount of benefits that they were getting were not real and the types of—

you need to give more tax incentives to facilitate more growth. The reality of this country is that, compared to international tax benefits, as my Prime Minister always talked about, bp and those international companies, they have shareholders. We also have shareholders. The only difference here, that our shareholders are the citizens.

So when we came, you had a situation where a company with \$5 billion in revenue—international comparative, Nigeria—the kind of income that you would have gotten would be about \$2 billion. So you are producing 5; the country getting tax and benefits of 2. In Trinidad and Tobago the equivalent that was put in place at the time was \$5 billion to \$200,000—10 times less. You understand? So, again, putting it into context of, yes, you could want to give benefits to encourage individuals to drill, but at the end of the day what is the sense you are encouraging individuals to drill—and you talk about—and then when you end up, what are you leaving for the people of Trinidad and Tobago to live on?

Those are some realities of what it is we had to deal with. And what we have been doing systematically over time is dealing with all of these issues, managing and bringing back our expenditure in line with our reduced income, which is \$50 billion less, and trying as much as possible to keep the ship of Trinidad and Tobago afloat so that we could sail it into calmer waters. The series of measures that we are talking about and what we have put in place is attempting to do just that.

There were a number of the measures that were mentioned in the budget—all right?—and a lot of them did not require us to come here to talk about them. And, again, they were all geared, now that you have some reduction in—now that you have some increase in income and you have some stability, now you could try, as much as possible, to manage and to be able to help the less fortunate as best as

you can. But as Sen. Deonarine talked about, you even have to do that with a certain degree of caution because, bearing in mind the turbulent waters and some of the world forces, and so forth, that are around us.

So that is the answer to some of these statements or comments made by Sen. Mark when he attempted to try to, as I said, talk about—it would be nice to give, by the stroke of a pen. Easy to say, let us give more. Let us do more. This is not going to do anything. Let us do more. But to be able to do more, who are we giving this “more” to? And how are we going to give up the income and still be in a position to pay the public servants, to pay and deal with the schools, to deal with the hospital bills? Bills, as I said before, are stubborn things. Whether you like it or not they keep coming. And after setting up this country with an appetite of \$63 billion in expenditure, we now had to deal with it, almost one year’s revenue at our best. We are \$50 billion less. That is the kind of shortfall we are—that is close to one year of our total revenue that we have less to spend.

This particular Act, as I said before, it deals with some of the items that we need to come to get some legislative changes for, and this needs to be done before December the 31st. One of the areas that, as mentioned, we talked about the necessary measures, I think in clause 3(c) of the Bill that speaks towards putting in effect the benefits or the tax changes associated with energy efficiency, solar water heaters. That particular measure, Mr. Vice-President, is one that I am particularly proud about and, as I said when I made my contribution in the Senate, this is one measure of a series of measures that is geared towards trying to change our culture and trying to implement our energy efficiency and our energy conservation measures in this country.

You know, Sen. Sobers, in his contribution—and I was not there in the Senate at the time when he spoke. I suppose it is not just good to say, “Excellent

Sen. The Hon. R. Le Hunte (cont'd)

work. Fantastic. Keep it up. Let us do it together. Let us continue to do something positive.” All right? It is always about trying to pelt boulders and “I was doing it before, and, well, they have it and I like it, but...”—you know, so let us put some of these things into perspective. And I did go and do some research, Sen. Sobers—

Sen. S. Hosein: Shed some light.

Sen. The Hon. R. Le Hunte:—and I could shed some light, as you said, on exactly what it is. And you are right. In 2010 your government, very early o’clock, stood up and talked about the whole idea of energy audits and the need to have energy audits done in buildings across the country—2010. At that point in time the actual measure that was actually laid before this House was registered energy service companies. You were going to encourage registered energy service companies to go out there and do audits on buildings. And then you went further. You said when you did the audit, “Whatever you spend you will get 150 per cent tax credit.” And I think we heard how beneficial tax credits are versus other benefits. We got a lesson in that from Minister West today.

Hon. Senators: Good lesson.

Sen. The Hon. R. Le Hunte: Yes, a good lesson. And yes, you did say that in 2010, and you therefore said that you will have these registered energy service companies, encourage them to go and do the audits, hire these companies to do the audits. And then, because they were registered and then “we knew what they were doing, we were going to give the tax credits and therefore encourage the country to get into energy conservation-type activities”. That was 2010.

Well, let me tell you what happened after 2010 with that measure which you put in. Between the whole of 2010 to 2011 the whole country got geared up, waiting and a lot of companies got ready to want to implement to do these audits. But you were supposed to put a mechanism in place to determine in the Ministry of

Energy and Energy Industries how you are going to register the energy service companies. And 2010 to 2011 passed and the country waited and you did nothing; 2011 to 2012 passed and the country waited and you did nothing; 2012 to 2013 came, and you did exactly what you did in the last two years, nothing; 2014 to 2015, and they waited and they waited, and like everything that you do, it is just about PR; it was just about talk. You picked 150—[*Interruption*] Please—

Sen. S. Hosein: Talk “done” on this side.

Sen. The Hon. R. Le Hunte: You picked 150 per cent tax credit; no analysis, no discussions. It sounded good. But the reality is, Sen. Sobers, you did nothing in the area of energy efficiency, energy conservation or renewable energy for the next four years of your tenure and you did nothing about it. And, therefore, even what you spoke about, even up to today, the law was set. It is on the books. It never got implemented because all you were doing was mamaguying and talking and you were not serious about it.

Let me also say, you talked about your bulbs. All right? From my research let me tell you the difference of what we are talking about. What you talked about was your Minister—not even your Minister of Energy, it was your Minister of Energy’s advisor, walking about in certain selected areas and giving CFL bulbs, Compact Fluorescent Bulbs, not LED bulbs. It was CFL bulbs that you were walking around—[*Crosstalk*] Mr. Vice-President, could I—please?

You were talking about CFL bulbs that you were walking around giving in selected areas, by not Ministry officials, by the special advisor to the Minister. When you asked the Ministry: “Did you have a data plan? What were you trying to achieve by it?” No answer. When you were asking, “What was the target that you were trying to achieve by this measure?” No answer. “What was the objective behind doing it?” No answer. All right? But you want to talk now about this was

your idea and this was something that you did.

And then we turn now after saying something in 2010, doing nothing for 2011, '12, '13, '14, '15—all right?—we now hear—because it is now the in-vogue thing to talk about—all right?—the in-vogue thing because I consider handing out CFL bulbs as nothing. But because it was the in-vogue thing, you decided afterwards, with your Leader of the Opposition, standing up and now talking about all the different buildings that we will have energy audits about, and how we are going to have a park, and how we are going to do this, how we are going to do that, and how we are going to do the other. And I ask the question: Why did you not do anything when you were there, when you had the opportunity and when you had, as a country, over \$50 billion more to spend, and when you borrowed close to \$31 billion more in debt, you did nothing about it?

So I am extremely pleased that this Government, at a time when we were fighting to keep our heads above water and trying to rebalance this economy, could take the opportunity and the forward thinking step to put together a comprehensive energy conservation and energy efficiency plan, a plan that was that developed, not by us picking a number out of air, a plan that was developed by going to the energy chamber and the chambers across the country, getting representatives; going to UWI, getting representatives; getting representatives from the Ministry of Education; getting representatives from the Ministry of Energy and Energy Industries; getting representatives from the Ministry of Public Utilities and putting a plan together that talks about a comprehensive plan for energy efficiency and energy conservation that will be implemented over time.

And unlike other plans, this plan specifically talks about targets that you want to achieve. Because if you are walking around to a village and you are giving out bulbs—right?—and you say, “Take this nuh; take this nuh; take this nuh”,

“dah” is not a plan. That is not how you talk about a plan. [*Crosstalk*] That is not a plan. That is a giveaway scheme that you are trying to mamaguy people. But let us put on record again, as I did before, our plan that we talked about when we talk about energy, when we talked about dealing with buildings and retrofitting buildings. We started—we said we are going to lead by example, and we are going to lead by example starting with Government buildings. [*Desk thumping*]

That is what we talked about. And we are not talking about doing it. We have not finished. We talked about it in September. We got the budget passed in November. We are in December. We talked about going and do Tower C. Tower C has started and we have in our possession a full audit done. [*Desk thumping*] That is getting it done. It did not take any sort of—we have done it. We talked in the budget about dealing with it at schools. We talked about identifying 30 pilot schools which we are going to go out and do. Again, we are getting it done [*Desk thumping*] and it is being done. It is being done.

In addition to this measure, we also spoke about—and in the budget we talked about every single house being built from this year onwards by the HDC will also be fitted with water heaters, and as we speak and houses are being constructed, they are being fitted with solar water heating systems. That is getting it done. [*Desk thumping*] So we have a clear idea. We talked about not only leading by example—and when people see you doing something and not just mamaguying them by saying you are going and have a registered system for energy servicing companies and doing nothing about it, when people are actually seeing you doing something—we have sat down as a group and have already had consultations with all the Chambers of Commerce, with all the business communities, and they are also on board in getting their own companies together with regard to doing the energy audits themselves, and actually putting the

measures in place themselves.

So we have already done that, because we are clear when we are doing something we could pull out a document and tell every single person, “This is our plan. This is our plan. What is your plan that you are planning to—what do you plan to achieve by 2024 with regard to your energy conservation initiatives?” We are trying to reduce CO₂ emissions by 6 million tonnes. That is the plan. We have a number. You could hold us accountable for it. We are talking about \$1.42 billion in investments. That is the plan. We have a number. When you are setting a target, my friend—all right?—when you are doing; when you are setting, if it is not measured, it is not done. You have to be able to say what you are doing. That is what it is all about.

And, therefore, when we talked about the amount of alternative revenue that it will cost and it will be able to save, we are able to mention what it is that the natural gas savings will give this country, something like about \$773 million—

Sen. Dr. Dillon-Remy: Minister, thank you for giving way. Could you please indicate what plan you are reading from—what is the report are reading from?

Sen. The Hon. R. Le Hunte: Energy Conservation and Energy Efficiency Policy and Action Plan Document for Trinidad and Tobago, 2020 to 2024. This was a plan and a document put together by a Cabinet-appointed committee made up of the members of the energy chamber and a multi-faceted team from the Government that has put together an action plan—

Sen. Dr. Dillon-Remy: Dated?

Sen. The Hon. R. Le Hunte: Dated—it was laid in Cabinet in November.

Sen. Dr. Dillon-Remy: Thank you.

Sen. The Hon. R. Le Hunte: So when we talk again about a plan, we have a plan and we have identified goals that speak to educating the public, goals that speak to

dealing with the kids at school, goals that speak to reducing and encouraging changing of behaviours, goals that speak to how often you will now get your electricity bill, goals that speak to mechanisms where you will be able to change and check what is your energy usage consumption on your phone with apps.

These are all plans that are laid out, that are being rolled out with regard to energy efficiency and energy conservation. And this new industry is projected by 2024 to create over 4,000 jobs. So when we are speaking about energy efficiency, as I said before, I am extremely happy—energy efficiency, energy conservation and renewable energy. I am extremely happy on the pendulum that we have passed to ensure that we are moving now to put the solar energy on the roofs and to allow individuals the additional tax breaks to encourage them to do that. When they do that, by the way, they will result in a savings on their energy bill of close to \$150 to \$200. And therefore, the pay-back period for one of these, in addition to the tax credit that you are actually getting, it will allow for you to pay back for your water heater in under two to three years. That makes it good sense and that is when I talk about a win-win situation. It is good for the consumer; it is good for the country and it is also good for the environment.

Mr. Vice-President, so that is about performance beating ol' talk. Now, at the end of the day also, we also spoke, when we spoke about energy efficiency and energy conservation, we also spent a lot of time in trying to develop other industries. So when we say that this energy efficiency and energy conservation is also going to create 4,000 jobs, we also mentioned in the budget the growth of the new industry that is coming, the new industry, when we talk about what is down the road in the future, where the future jobs are going to come about? Where is the next industrial estate going to come? Where are the revenues going to come about?

5.55 p.m.

The new industry that the President of bp speaks about—that he talks about—is US \$150 billion in size, is the hydrogen economy where you talk about blue hydrogen, and you talk about green hydrogen. When you talk about using renewable energy to help create hydrogen, and therefore, you talk about green hydrogen, and when you speak about green hydrogen and you are talking about right now in the petrochemical sector, we presently take natural gas and extract hydrogen in the natural gas. That is why we need the natural gas. So all of the petrochemical industries what they really need is hydrogen, and therefore, we talk about how could we create hydrogen by utilizing green hydrogen and renewable energy.

So when we put a plan together we are not just about putting solar panels on your roofs. This is about creating a renewable and understanding how renewable energy is going to play a part in the development and the future of the economy of Trinidad and Tobago. [*Desk thumping*] That is how we do things, and therefore, to get to this point is not just about putting an incentive up there. It is about putting an incentive in the focus of a plan. We have gone as far as creating a unit in the Ministry of Public Utilities that will be responsible for the execution of this plan. I have appointed a Parliamentary Secretary to see about it exclusively because we understand that this environment is important.

This environment is important to this generation, and this environment is important to all the young people out there. This environment and this future of what happens in that sector is going to be critical, and it is going to happen not just by old talk, but by a plan with clear targets. Clearly, as we go down and as the plan unfolds, you will be seeing work and requires all our agencies to get involved. It also requires the Bureau of Standards to get involved because you also need to now put incentives to encourage people to buy energy saving devices. But when

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you go to the store to buy a fridge you must be able to have somebody saying this is the most energy efficient device that you should pay for and this one is the least efficient.

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

Sen. The Hon. R. Le Hunte: And therefore, again, if you are putting a plan together you have to have all of those elements in it. And as we speak about what we do, what we have to do, when we talked about energy efficiency and energy conservation, we talked about creating in Tobago a zero carbon zone. How do we take energy efficiency, energy conservation, and renewable energy, and bring it into the tourism sector? How do we tie the mechanism that we are promoting Tobago and beyond, and also tie it into the tourism industry? That is how you create a plan. That is how you get all arms of your sector working together, transportation, government leading by example by doing what they have to do, government providing the incentives so the population could get involved, government providing the incentives to allow the private sector to get involved, and all of us moving in a certain direction with regard to having also the long-term plan to create the type of industry and put Trinidad on the map as we have been put on the map with Point Lisas, and the urea, and methanol, and so forth, in the hydrogen economy.

So I am extremely, extremely proud to be part of a government with the foresight to deal with solar water heaters, because as you say—you know Mother Teresa always made this point you know. They talked about the fact that all of us are not always called upon to do great things, but each thing, small things that you do, we could all do small things that are great. We could all do small things that are great, and together we will then be able to create this magnificent change that you are talking about.

So this is a step. This is one step, and if you put it in the context of all the other steps that have been articulated they are there. They were all mentioned in the budget, and as you have been seeing we have been rolling it out immediately. Government is leading by example. We just finished Tower C. We are now moving on to the Ministry of Education building, and when we move on and we finish the audit in Tower C we are not just taking it, and putting it, and filing it away. We are executing on it, and therefore, we are getting it done. We are getting it done. [*Desk thumping*]

So, Mr. Vice-President, I support the measures that have been put forward. I support all the initiatives. I am particularly proud of the initiative in the credit union movement as we have dealt with that sector, another sector that was ignored totally for the last five years. No change, only talk, talk, talk, talk, talk. No consultation again, but talk. But again, in some strategic document, written by somebody when you pull a piece from here, and pull a piece from there, we are going to talk about the sleeping elephant of the credit union movement and what is supposed to happen to it, and how it is going to play its rightful role. However, when it comes to action nothing gets done. Mr. Vice-President, on those few words I thank you very much and look forward to your support. [*Desk thumping*]

Mr. Vice-President: Sen. Haynes.

Sen. Anita Haynes: Thank you, Mr. Vice-President, for recognizing me as I stand to participate in this Bill on the Finance Bill, 2019. Now, Mr. Vice-President, I came here with a short contribution and some questions that I had relating to the Bill. Initially, I was intending to speak second on our Bench, but Sen. Sobers ended up going second on the Bench to facilitate some stuff that we had to do here, and as fate would have it, Mr. Vice-President, I have to speak after that contribution by the Minister of Public Utilities, and what started off as a short

contribution with some questions would now be morphed in a contribution that has to correct a number of inaccuracies starting with the first paragraph of the Minister of Public Utilities' contribution here today.

And how the Minister—and I will tell you this. Of everybody on our Bench, I here came fully prepared not to talk about the events of December 02, 2019. I had no intention of speaking on the elections because of all of us here I spoke enough on the elections in the last week and a half. But how the Minister of Public Utilities started his contribution here today with the usual story, the sad story of what they met when they came into office, if nothing else was instructive as to why they lost on December 2nd, is the commitment to that political fiction that they try to feed the population time and time again.

Mr. Vice-President, they spoke about—the Minister started off by saying we are in these stringent times, and they all managed to survive with proper economic management, and they had so little to work with. The thing about it is if the population believed them in 2015, which clearly they did because they were voted in office on that political narrative that they will fix this broken economy, it is very clear that the population no longer believes them in 2019 [*Desk thumping*] because this is a Government that comes every single time to talk about priorities and say, look, we could not give the people X, Y and Z because we had no money. You could not do this because we had no money, and then on December 06, 2019, in the *Newsday*, there is a headline article, “PM’s Tobago residence ready for December 21 party”.

Hon. Senator: No money?

Sen. A. Haynes: Yes, this is the no money gang. They had no money. We were trying to squeeze little bits to get something for the people and maybe we could not. No, no, no. Yes, a house for the—but the question becomes one of—

[*Interruption*]

Mr. Vice-President: Please allow the Member to make her contribution and just monitor the levels of noise in the Chamber.

Sen. A. Haynes: Thank you, Mr. Vice-President. I understand sometimes that they get uncomfortable, and despite the noise, Mr. Vice-President, I can assure you that the people of Trinidad and Tobago always hear what I am saying. So you could try, but you will not succeed.

Mr. Vice-President, the reason I raised the—[*Interruption*]

Sen. S. Hosein: Mr. Vice-President, I just want to stand on Standing Order 51(1)(e). The Minister of Labour and Small Enterprise Development and also Sen. Cummings is disturbing my friend.

Sen. Baptiste-Primus: You all were disturbing Minister Le Hunte all the time consistently.

Mr. Vice-President: Hon. Members, that is why I ruled in terms of the noise levels in the Chamber, not only for my ability to be able to hear the speaker speaking, but to allow the person contributing to be able to one, hear themselves as well as to make the contribution that they need to make. So could we just monitor the noise level in the Chamber as it relates to crosstalk and everything else? Continue, Sen. Haynes.

Sen. A. Haynes: Thank you, Mr. Vice-President. [*Desk thumping*] I raised the point of the PM's residence in Tobago because it flies in the face of the question of priorities. When you stand before a population and you say job cuts had to be done because we could not afford to pay salaries, et cetera, and we are trying to do X, and we are trying to do Y, and you cannot get this because we do not have any money and lower your expectations, saying to everybody in the population lower your expectations, tighten your belt, et cetera, and you continue that narrative, and

then on December 06, 2019, you as a citizen of the Republic of Trinidad and Tobago, can read a headline in the newspaper “PM’s Tobago residence ready for December 21 party”, it is a slap in the face of the population of Trinidad and Tobago. [*Desk thumping*]

To come here again and say to us that we have been managing and now that there may be a little bit extra, we can now see about trying to alleviate the burden on the citizens of Trinidad and Tobago, again it insults the intelligence of the people of Trinidad and Tobago. I stood here in 2017—now 2017 was before the year of the turnaround economy—and I said the most basic, pedestrian level of politics you can practice is to start off by saying “Treasury empty”, 2015. Nothing! We cannot do anything, tighten your belt. 2016 you continue, we trying something, and I said it in 2017 that by 2018 we will start to hear a different song. Lo and behold, by 2018, we were hearing that we could see clearly now and the economy was turning around. That is not shocking to anybody that understands when you are trying to use constant political propaganda and a political narrative rather than trying to serve the interest of the people of Trinidad and Tobago. [*Desk thumping*]

I made that point because I said to myself no way, no way in 2019 anybody could seriously think that would work as an election ploy, as a strategy. No way. Little did I know, Mr. Vice-President, that they would really try it and they did. Because after the turnaround, 2018—that happened early 2018 and then we had the shutdown of Petrotrin in the year of the turnaround. In the year of the turnaround, when you heard about the shutdown of Petrotrin—oh, no, you just spoke. Next time. In 2018, when you heard about the turnaround and the shutdown of Petrotrin, you then heard various Ministers coming out to say that employment numbers were steady and that there is not an unemployment problem in Trinidad

and Tobago. People are working.

Now, they were saying this to persons who had just lost their job, and I said again, Mr. Vice-President, well they cannot be serious because it is gaslighting a population that is living in a certain set of circumstances, and having members of the Government come on various arms of the media, various TV stations and say what you are experiencing simply is not so. That is gaslighting, and I said they are gaslighting the population and they continued.

Now, Mr. Vice-President, 2019—today it is what? December 10, 2019—to stand here and tell us that this is a Government that had to manage with 50 billion less and that they had to prioritize, and people could not get what they wanted, to come here on December 10th, when all of November, and all of October, this same Trinidad and Tobago saw massive amounts of spending by this same Government [*Desk thumping*]. It has to be some measure of insanity coming from that side of the Bench at this point in time. Because I listened to the Minister of Public Utilities come and tell us about they had to manage, and he is proud that they were able to scrape up a “lil” bit, X, Y and Z here, and then—you know, why wait till November 2019 to give the residents of Rousillac the lights that they were asking for the four years [*Desk thumping*] all of a sudden?

Then I heard the Minister of Public Utilities speak with pride about the solar water heater initiative—good initiative. Mr. Vice-President, what water passing through the solar water heaters? Because the people in Trinidad and Tobago are asking for water all now still to this day. [*Desk thumping*] You know the Minister sought to pour scorn on the bulb initiative that people advised us were walking around handing out bulbs, perhaps if you had implemented the walk about strategy, perhaps you would have done a little bit better. Do not drive pass people. Walk about, give them something, maybe. [*Desk thumping*]

But, Mr. Vice-President, the reason the Minister sought and talking about who was walking where and that we had a plan but we did not implement it, but then spoke about walking about to give out the bulbs which is in fact is implementation, Mr. Vice-President, I listened to the Minister of Public Utilities and I understood why what happened on December 2nd happened. The UNC absolutely did a lot of work to ensure our victory on December 2nd, but the lack of work from the PNM, the lack of delivery, the commitment to a narrative of excuses, the commitment to a narrative of saying we had nothing while we can look in the newspapers, we can look at various levels of expenditure across the last four years and know that they are looking at us and telling us a blatant untruth because they have been spending money. [*Desk thumping*] Their priorities are just skewed. Their priorities are just skewed and, Mr—

I mean I listened to the Minister of Public Utilities come here again and tell us that we in the UNC are about talk, and you know you could appreciate when people try to imitate something that they thought worked well. Yes? Because we did in fact say that the UNC works and the PNM talks, and the Minister liked it so much that he tried, but the reason that line works for us it is because we did not create that out of thin air. It is a fact that the UNC works. [*Desk thumping*] We have actual deliverables that you can point to, that you can see. It is a fact that between 2010 and 2015 people were better off than they are today. [*Desk thumping*] It is a fact that the reason you never hear—it is a fact, Mr. Vice-President, the reason that you never hear members of the Government mention 2015, 2016, 2017, 2018 and 2019 is because like the rest of the nation, the PNM wished those years did not exist either. So they pretend it never happened.

So you will always hear about 2010—2015, but their entire—Minster of Public Utilities came here and read from a document very proudly, the energy

policy document, and stated that the policy document in response to a question is the energy policy 2020—2024. The Minister said today that that policy document was laid before the Cabinet of Trinidad and Tobago in November. Sen. Hosein did a quick check of the Minister's—because we fact check everything, eh, quickly—the same Minister of Public Utilities, the budget contribution on October 25, 2019, in this House speaking on the same energy policy document saying that it was in front of the Cabinet in October before the budget, ready for action and implementation. [*Interruption*] No, that is not the point, you know. The point is not just the idea of the month.

This Government has announcements. You come here, you read from an energy policy document that you date 2020—2024 like you were not in power since 2015, so what were you doing for the last four years? [*Desk thumping*] How insulting is it that you spend four years to come up with a policy document and dare to think we are giving you a chance to implement it 2020—2024? No! When we get into power we will read it, we will see if it is any good and then we will let you know what can be implemented [*Desk thumping*] because I guarantee you that after four years in Government, to stand up here and proudly state I have a policy document dated 2020—2024, it is a level of insanity that we cannot accept as the people of Trinidad and Tobago. [*Desk thumping*]

And then the Minister again went through very great pains to mention that they had a plan, they have deliverables. I know where that come from you know. You know why? Too little, too late. Yes, we stand here and we say you never had a plan to govern. The plan we were asking for was for 2015 because when you ask for the mandate to govern the people of Trinidad and Tobago, we said do not do it on political propaganda. Present a plan to the people of Trinidad and Tobago in 2015. You cannot tell me you governed with no plan, the end of 2015, all of 2016,

all of 2017, all of 2018, and now all of 2019 and come today, in December 2019, with an election in 2020, to tell me you have a plan now. I do not want to hear that. What I want to hear now is what you have done in those four years [*Desk thumping*] and to tell me and the people of Trinidad and Tobago, Mr. Vice-President, that you are getting it done.

I mean—listen, if nothing else but get licks before that, it was the getting it done here. [*Desk thumping*] Because we stood here, you had four years, cannot point to a single thing that you did, and look at me as a citizen of this country and say I am getting it done. I mean, come on. Come on! And no wonder, Mr. Vice-President, they did not walk about this country because they understood what was going to happen if you went in front people's houses. You had to drive by. [*Desk thumping*] You are right. You are right. You are implementing the only political strategy you could have after doing what you did for the last four years, which was absolutely nothing.

Sen. S. Hosein: People run them with cocoyea broom.

Sen. A. Haynes: Yes. We heard a lot, Mr. Vice-President. There was a statement I learnt and I have no problem saying it. I learnt it in this Parliament from Minister Rambharat, and then Sen. Hosein explained what it meant to me that dog eat your shame. Absolutely, dog eat the Minister of Public Utilities' shame [*Desk thumping*] absolutely. And it is—[*Interruption*]

Mr. Vice-President: Senator, just guidance not on the commentary, but as much you are responding to the Minister's contribution, do remember that there is a Bill in front of us with a number of initiatives in it. So you spent almost, I think, 18 minutes responding specifically to one contributor when we had several. So I am going to ask you to, you know, at least try to get to the other parts of the Bill if you have any other comments on that.

Sen. A. Haynes: Thank you, Mr. Vice-President, and I understood. I was actually really about to give the Minister of Public Utilities the ease up that he so clearly needs after that Siparia defeat and, that is [*Desk thumping*] we will put that to rest now. Like I said, it really was an intervention of fate because I was supposed to speak before him so he will have get away and now I really would get to the point. The part of the Bill that I looked at was the tax credits that the Minister—and we agree that tax credits are a good thing.

As we look at the legislation as presented before us, what we are looking to do is implement measures put before us in the Appropriation Bill of 2019, and key in us talking about implementation and going forward with measures that may have been announced is that the population—not the Opposition, but the population—must trust that the Government has the ability to effectively and efficiently implement measures that they have promised. And we looked—I listened to the Minister on the tax credits and I have in my possession right now a letter—now this person actually reached out to Sen. Mark and Sen. Mark asked me to raise this in my contribution because as part of our work in Opposition a lot of people reach out to us when they hear certain things are coming before the Parliament and they want us to raise their particular issues.

This person reached out with a complaint about their tax refunds that are still owed to them—and when we come here and talk about tax credits and all of the good things that can come from issuing tax credits and the persons will benefit, and it will be an eventual benefit to the citizens, the only way you can do that is if you pay out the benefit. This person wrote to Sen. Mark talking about being a poor person who is awaiting his tax returns from the Board of Inland Revenue since 2016—\$22,000 is owed to this person since 2016. The person from Tacarigua wrote to Sen. Mark and spoke about doing all the right things, submitting the forms

as they are supposed to be submitted, checking in with customer service two months ago—and the person is a pensioner as well—and trying to follow all of the steps and cannot get the \$22,000 that is owed to them for over four years.

And so, when we come to the Parliament and we talk about tax credits, and we talk about the benefits, Mr. Vice-President, we have to ensure, I think, that those benefits pass on to the citizens of Trinidad and Tobago, or else it is just old talk. It is just us saying and patting ourselves on the back for initiatives that we may announce and then people are not seeing the benefits because the system has a lag.

In preparation for today, I looked at where tax credits are available already in the system, and I used the tconnect page—that is to get one source of Government information—and there is venture capital tax credit space and I said let me see how this thing works. Go into tconnect, you know, Mr. Vice-President, as I clicked on the link to get more information about the venture capital tax credit it does not work, the number does not work. So it shows you that you put certain things into the system and then the system falls through and we will talk all about benefits, and this is why people feel disenchanted with the system of governance that we have because we will talk about things, we will mention these big plans and then you cannot, you do not ever get the benefit of it.

6.25 p.m.

And on the solar water heaters issue, I listened again to various Ministers and the commentary around it and giving the tax credit which is the 100 per cent tax credit for the maximum of \$10,000 to be spent on this, and I reflected on my own experiences in Trinidad and Tobago as it stands right now, and I am left to wonder: who is really going to be willing to make that \$10,000 investment in a solar water heater right now in Trinidad and Tobago? There is a sense of job

insecurity, there is an overall sense of people being worried about their financial circumstances as it stands right now, and therefore you put this policy in place and you said, yes, it is for the environment and the Minister of Public Utilities is in fact right.

Young people and I think almost all people ought to care about the environment and we ought to do what we can to be more environmentally conscious and sensitive and the tax credit is a good thing but there were so many things in train from the 2010 to 2015 period and I would have no problem and I am sure they can all get it, there is an achievement document 2014, where policy shift: one, speaks about all of the environmentally conscious and environmentally sensitive initiatives that the People's Partnership administration would have enacted between the years 2010 to 2014. And all the present administration needed to do was to continue some of those initiatives and we would have been in a much better place now instead of trying to reinvent the wheel and write new energy policy documents left, right and centre. Government is about continuation and you should have just continued some of those policies that were in train.

Mr. Vice-President, as I thought about what we were brought before the Parliament and we are talking about implementation of government policy and the reason the Minister in the Ministry of Finance and Minister of Public Administration, as she closed, said to us lend us your support today as we get these initiatives working, and I listened to that and for the last two debates in this House, we have welcomed, we have supported the Government's initiatives. But in the last time we met, we supported with a series of warnings about their implementation, Mr. Vice-President. And as you asked for our support here today and we say, okay, well, we have some questions as to how you intend to implement some of these things, our warnings show to be true because if you look

at what is going on in Trinidad and Tobago today, our warnings from Saturday are showing to be very true today as there is chaos around Trinidad and Tobago with the Government's ineffective implementation of another policy initiative. When you come before us and you ask for our support as with all of those measures, and you seek to implement some of the things that you have promised, understand that making a promise and implementation are two different things and I think that what you need to do is to ensure that systems are in place to properly implement any of these things that you are promising.

I noted, Mr. Vice-President, as I close, that we referred to the budget of 2019 as coming soon, everything seems to be coming soon, coming in 2020, and so they are trying to put some of these things quickly into place, these initiatives here. I expect that the Government is going to come to us for a number of things to get rolling in the 2020 era. And the caution that I am urging here today is that despite next year being an election year, you are still the Government until the election, so therefore do not implement things for the purposes of an election that will create chaos for the people of Trinidad and Tobago. [*Crosstalk*] And you see, that is the thing. You know, I listened, right, and I have raised this before and I have had to raise this—[*Crosstalk*] You see, sometimes I say things and it causes ah lil bit of excitement, I understand. Right. But the choices are not do things for election or do nothing. Those are not the choices. There is a whole space to govern in-between there. What I am saying is do not use your seat of Government for blatant electioneering. [*Desk thumping and crosstalk*] That is two completely different things. I mean, I would be happy, Mr. Vice-President, to explain the difference to the Members, right, but I would not use my time here today. I would say, Mr. Vice-President, that again, as you try to implement things in haste, remember and put always at the centre, the people of Trinidad and Tobago.

I thank you. [*Desk thumping*]

Sen. Hazel Thompson-Ahye: Thank you, Mr. Vice-President. I think I tend to clean my spectacles before I come into the Chamber so I am able to pick up little errors and the first error I picked up is in clause 6 because I am absolutely sure that there are two letters missing from clause 6. Madam Minister, before the words “five thousand,” I am sure there should have been two letters there, “US”. [*Crosstalk and laughter*] So the correction will be made. Thank you.

I am grateful for the opportunity to speak in this debate on a subject that is close to my heart and close to the pockets of many of our citizens. On this Finance Bill, I wish to zero in on clause 6 and I must say that when I presented on the budget, I shared all kudos to the Minister of Labour and Small Enterprise Development and said she was always well prepared and she had a team behind her and she was very happy. I am afraid I have to take that back this afternoon because we do and will disagree on her interpretation of the facts, the circumstances with regard to this particular clause.

Now, this is a matter, the one embodied in clause 6, that affects the underprivileged to a large extent in the society and I am committed to assist them in their quest for justice, in their quest to get a fair chance and fair play in the society. And I would wish to see that those who have passed on to the great beyond, because their will has been ported, may be able to rest in peace. Now, I stand here not as a school child with index finger to forehead begging permission please, of his schoolteacher. I stand here with a demand for an entitlement which should be the right of persons who very often have nobody to look after their interest and who sometimes are made to survive on the crumbs handed out in the society and who must say thank you for really what should be their entitlement. So today, we are supposed to be grateful to the Government because we are moving

the entitlement of a nominated beneficiary from \$5,000 to \$50,000.

Now, over the years, I have sat on the boards of two credit unions: Cathedral Credit Union and UWI Credit Union and I know the story and I must disagree when the Minister said that people are happy about this provision. Credit unions may be called “the big black hope” of many persons in the society. It was not started centuries ago but a mere 77 years or so ago. A Catholic Jesuit priest, Father Sullivan, brought credit unions from England, the whole concept, to Jamaica and Belize. One of our citizens, T. Malcolm Milne, whom I remember very well as a well-respected solicitor in this country, heard about it. He travelled to Jamaica and he linked up with Father Sullivan and he brought credit unionism into Trinidad and Tobago. Sadly, Malcolm Milne passed on in 2002. He described credit unions as an economic emancipator to protect the citizens from unscrupulous moneylenders. So credit unions, having been introduced into Trinidad and Tobago through the efforts and guidance of Father Sullivan became a blessing to many. It was the saviour of many who otherwise would not have been able to afford appliances for their homes, to repair their homes, to invest in business, to educate their children and to obtain loans for a variety of things. So it started with twenty-five cents a week and we know what it is like today.

So, you become a credit union member and you are saved from many of the rapacious practices that characterize the usages of some banks. They penalize you because you do not want to use Internet banking, because you dare come to the counter for a withdrawal or to put in money. If your balance is too low, you lose money. If you receive money from abroad or you send money abroad, you have to pay and at the end of the year, you read in the newspaper about these obscene profits. But when you join a credit union, the profits that accrue become your profits. Not for profit, not for charity but for service. That is what guides credit

unions.

Originally, I did not appreciate the importance of credit unions. I remember going to get a loan from a bank on the East-West Corridor. I approached the bank and I said I wanted to buy a property and the loan manager said, “Yuh married”? I said yes. I did not ask him the relevance of it. You know, I was perhaps in one of my more docile moments. “Where is yuh husband?” He is at work. “So what yuh come here for without yuh husband?” I said, “Ah came to get money to buy ah property”. He said, “But yuh married, yuh not supposed to”. I said, “We have a matrimonial home, eh know, this has nothing to do with my matrimonial home and my husband and I have discussed it”. He was so upset with me. I looked at him and I said, “You know, I do not need this loan, yuh know”, and I walked out of the bank and I went to UWI Credit Union, took my loan; Hallelujah! I really regretted that when we were buying our home, I did not listen to my husband as an obedient wife. Not so much, you know, as the “doh want to go overboard like de pastor in Wayne Chance funeral, yuh know, about obedience and so on”. But I must say at the end of the day, when you are paying on the reducing balance as against when you look at the amortization schedule when you borrow money from the bank, you realize that the credit union is a saviour.

Now, this matter of clause 6 has been the bone of contention for several years, it is nothing new and I dare say there is no logical reason for it. It is unfair, it is unjust, it causes inconvenience and suffering and it delays beneficiaries who are nominated from their entitlements. It causes them to incur unnecessary expense, if all that the deceased owned was what is in the credit union. So a credit union member has nominated someone, usually a family member, to receive on the death of that member, his entitlement. And what does the law say? When we look at the Co-operative Societies Act, Chap. 81:03, if I may read, Mr. Vice-President.

So I want to read 41(1) before we go to (3) which is the bugbear:

“Where a person has been nominated as beneficiary by a member in accordance with the bye-laws of a society and such nominee is admitted to membership in the society, the society shall within one year of the death of the member by whom the nomination was made, transfer the shares or interest of such deceased member subject to the limit specified in subsection (3) to the nominee.”

And that restriction is \$5,000 which we now want to raise to \$50,000.

“Where, however, such nominee is not admitted to membership...”

So you are not a member of the credit union.

“...or where the deceased member made no such nomination, the society shall within one year of the death of such deceased member pay to the nominee or legal personal representative of the deceased member as the case may be, such sum, not exceeding the said limit...”

—Which is the limit as it is now which we are seeking to increase.

“representing the value or part thereof of the deceased member’s shares or interest in the society.”

And:

“(2) Nothing in this section shall be construed as prohibiting a nominee who has been admitted to membership from electing to receive payment representing the value of the deceased member’s shares or interest instead of accepting a transfer.”

So you can either have that deceased member’s shares transferred to you or you can get the value of the shares but then it is limited to \$5,000 of the shareholding of that member.

And there is another bramble in the briar patch. Last year, I wrote a credit

union. I had been doing an estate like my friend here, Sen. Sobers, and they wanted to update the estate inventory. So I knew the credit union had an AGM so I called and I said, you know, I had written to you all. I wanted to know what is the present shareholding of my client, and the manager said, “the account is the same”. I said, “but you just had an AGM and you declared a dividend”. “Well, that money is put in a suspense account and therefore, no interest accrues to that account”. I said, “You must be crazy”. And that is the kind of nonsense that goes on. Because really and truly, that should not happen and my credit union I must say when I enquired of them, they said they do not do that because the money is there, the money is being used, and therefore it should go on the member’s shares, it should increase just like the other members of the society.

Now, when I saw this provision, I decided that I would take a trip around the Caribbean, not courtesy Caribbean Airlines but I would use my computer. So I wanted to know what happens in the other jurisdictions. So I looked at Grenada, Co-operative Societies Act, Act No. 8 of 2011, section 103 and it says:

“(1) On the death of a member of a co-operative society, where a person has been nominated by the member in accordance with section 106, and the nominee is admitted to membership of the co-operative society, the co-operative society shall, within one year of the death of the member by whom the nomination was made, transfer the shares or interest of such deceased member to the nominee.”

Did you hear anything about subject to anything? Any limitation of any amount?
Not at all.

“(2) On the death of a member of a co-operative society, where a person has been nominated by the member in accordance with section 106, has not been admitted to membership of the co-operative society, or

where the deceased member made no such nomination, the co-operative society shall, within one year of the death of the member, pay either to the nominee or to the legal personal representative of the deceased member, such sum as represents the value or part thereof, of the deceased member's share or interest in the co-operative society."

And I looked at Jamaica's Co-operative Societies Act as well, Act No. 75 of 1950, section 19—sections 18 and 19 dealing with the same issue and there is absolutely no limitation with regard to transfer of shares or membership:

"(1) On the death of a member, a registered society shall...

(a) transfer to any person nominated in accordance with the provisions of section 18 the property of the deceased member or such property as may have accrued thereon..."

And then:

"(b) transfer to the personal representative of the deceased member any property...or such property..."

—And so on, if there is no nomination and so on.

I looked at the Bahamas legislation, Co-operative Societies Act, Chap. 314 of 2005. I looked at sections 38 and 39. Again, it is the same question of transferring.

"(1) Subject to subsection (2), the transfer of a share or interest of a member or deceased member in the capital of a society shall be subject to such conditions as may be prescribed by or under this Act.

(2) No share or interest or any part thereof in the capital...may be transferred unless the transfer is made to a member thereof or to a person whose application for membership..."

And of course, the question of how it is done in nomination.

“39. (1) ...instrument in writing signed by...”—the—“member in the presence of two...witnesses...”

—And so on.

I looked at Guyana Co-operative Societies Act, Chap. 88:01 of 1948, section 17, the same terms. I said, okay, let me go further north. I looked at Canada, Co-operative Societies Act, Chap. C-35, the Revised Statutes of Newfoundland. And again, when I looked at section 35, it says:

“(1) A registered society shall on the death of a member transfer the share or interest of that member to the person nominated in accordance with this Act and the regulations to receive the share or interest, or to the personal representative of the deceased member...”

And it goes on.

I said let me go to my friend, Chief Justice Ma’s jurisdiction in Hong Kong, so let me travel down in the east now, Co-operative Societies Ordinance, Chap. 33 of 1951, section 17. Because I said I must travel the world to find out why this thing is going on here, you know.

“On the death of a member, a registered society may transfer the share or interest of the deceased member to the person nominated in accordance with the rules made in this behalf, or, if there is no person so nominated, to such persons as may appear to the committee to be the heir or legal representative of the deceased member, or may pay to such nominee, heir or legal representative, as the case may be, a sum representing the value of such member’s share or interest, as ascertained in accordance with the rules or by-laws...”

And so on.

I even went to Africa to the Co-operative Societies Act, Chap. 490 of the

revised laws of Kenya and I said to myself, again, the same terms, no restrictions, no telling me that you must have a part of it, 50,000 or 60,000 or how many rupees or anything like that.

And I said to myself, what is going on in Trinidad and Tobago? Why do we have to put up with this nonsense? And I am saying, I heard the Minister talk about protection and so on and I asked myself: That is odd. That is very odd because right here in Trinidad and Tobago, we enacted a piece of legislation called the Unit Trust Corporation of Trinidad and Tobago, Act 26 of 1981. What did we do then? Section 43 of that Act states as follows and I want to read it very slowly:

- “(1) Where a unitholder has nominated any person to receive any moneys in respect of units held by him, such moneys shall, upon the death of the unitholder, and subject to any right, title, or other interest of any other person, and to any charge, encumbrance, tax or duty of any nature, payable in respect of the said units, be payable to the nominee.
- (2) A payment by the Trust under the subsection (1) shall be a full discharge of the Trust, from all liability in respect of the units.”

So you can die today and your family can get all the money you have in Unit Trust once they are nominated. What is wrong with credit union members? Is it that we feel that those in Unit Trust are of a higher calibre and those in credit unions do not know how to run their business? We have come a long way from the 1940s when credit unions first began and when you had paltry sums of money in the credit union. Over the years, we have had people who have done wonders and have shown how credit unions can be a viable business: Louis Lee Sing, Donovan Palmer, Emil de la Grenade, Jill Thompson—some of them are still alive—Esme Raphael, Christopher Holder, still with us. A large number of our citizens are members of credit unions.

I recall in 1985, attending the World Credit Union Conference in London. At the opening ceremony they called on people from various jurisdictions. They called the countries and everybody from the country had to stand up and when they called Trinidad and Tobago and I looked around, it was the largest contingent in the whole of London at that hotel. So today, our credit unions have billions of dollars in assets. They are monitored and they are supervised. You have the Stabilisation Fund, you have the Commissioner of Co-operatives, you have the Central Bank. They now hire people who are qualified and competent to perform their duties.

Sen. Baptiste-Primus: Permit me, Mr. Vice-President. Not the Central Bank. The credit unions are not under the Central Bank.

Sen. H. Thompson-Ahye: Thank you, but there is some provision, you know, that I saw where there is some relationship.

Sen. Baptiste-Primus: No, they are an independent authority and they have agreed to that.

Sen. H. Thompson-Ahye: All right. So they now hire people to a large extent who are qualified. In those days, you had somebody “who say he is ah manager, sometimes he cyah read ah good statement”, but things have changed over the years. We have come a long way, like Virginia Slims, and you know what do. We know what we want and we know what we do not want. What we want is for this clause to be excised from the law, expunged. There is no good and valid reason why we must have this provision in our statute books. The law should be changed forthwith, now, pronto, immediately. Hon Minister, before you beg to move, I ask you to remove that clause. Thank you. [*Desk thumping*] [*Crosstalk*]

Mr. Vice-President: Minister. Sen. Deyalsingh.

Sen. Dr. Varma Deyalsingh: Thank you, Mr. Vice-President, for allowing me to

speak on this Bill, the Finance Bill, 2019. And this Bill, I looked at it, is really a realization and a legalization of the 2020 Budget Statement. It is really to give teeth to the budget statement to see if we can give it life because, again, we have to have this budget statement enacted by, I think, January the 1st, 2020.

So, Mr. Vice-President, when I looked at this Bill, it looked at different aspects. It looked at the Income Tax Act, the Corporation Tax Act, the Petroleum Taxes Act, Customs Act, Co-operative Societies Act and Treasury Bills Act. And I would like to just make reference to certain parts of the discussion that came up from different sides that looked into this piece of legislation. I looked at it and I am thinking that you know, what is the good of this, this financial Bill? I would judge the elements of it as a success if it really could stimulate certain aspects of the economy. If it could stimulate business, if it can help with foreign exchange, if it can help with unemployment. So this is what I am looking at. If pieces of this legislation could help with this, then I am saying it will stimulate the economy and will give us that much-needed help.

But I also have to echo the sentiments of Sen. Mark and Sen. Deonarine when they were a bit alarmed at the fact that you know, when you are looking at the Treasury Bills Act, it seeks to go and at least increase the borrowing capability of the Government and I think this is a little bit frightening in the sense that if you keep borrowing, it means that eventually somewhere down the line, our children, our grandchildren will have to look and see how they could service these bills. So I think this had me at a little level of discomfort and as I mentioned, I would hope that this borrowing aspect that occurs, that somehow we could get some idea from the Government how we could actually get the moneys in the future to pay back this money that we borrow. And it came like a thief in the night, this piece of legislation, and I think this was the only aspect of this Bill that I had some

reservations, some mixed feelings about.

But looking at the others, I want to make mention of the fact that when I looked at the amendments, Mr. Vice-President, to the Income Tax Act where we looked at Chap. 75:01, it deals with looking at making provisions for an increase in the solar water heating equipment tax credit. A lot of Members mentioned the benefits and I totally agree with it. It is a move in the right direction. Minister Le Hunte actually spoke about the light bulbs, the LED bulbs, the fact that Government will seek to go into the interest to get a cleaner environment, you know, to see if we can somehow have a global scenario that we have signed on to.

6.55 p.m.

Because, Mr. Vice-President, as you know, we had a recently concluded Inter-Parliamentary Union meeting here for two days and we had signed on to the global—there are certain global goals that parliamentarian unions right over the world had said: “Let us go to these goals. Let us see if we can get a cleaner society. Let us see if we can have Sustainable Development Goals of the UN materialized.” And part of those goals was really to get a cleaner environment.

Trinidad, I think, some—when I went to that meeting, somebody had mentioned we are number three in the CO₂ emissions per capita. So therefore, definitely, we are a country that will have to show that we are on the right path and we are cognizant of what is going on and we are looking at the fact that we have to do our part as a signatory to this United Nations Declaration. And even when we had signed on to the Paris Agreement, Mr. Vice-President, you know Trinidad has made a pledge that we will reduce our total greenhouse gas emissions from 15 per cent, from industry, power generation, and transport sector by 2030. As you mentioned, we are on the right path. We are looking at the cars now run by electricity. We are looking at LED lights. We are looking at other means that we

are moving towards. So this piece of legislation here, I would support entirely.

Barbados has been the leaders so far in looking at the solar panels that they have given to their residents for their water heaters, and I am thinking, we could learn from them; a cleaner world, a cleaner country. This, I think, is something commendable and this is something I think I would support 100 per cent.

Looking at pieces of the other legislation, Mr. Vice-President, the Corporation Tax Act. This got me a little concerned, in the sense that I think it was two years ago, this same Government actually increased, I think, raised the taxes for the corporate world there and certain small businesses actually complained, and there was a CNC3 report on Monday, 2017, October the 2nd, where Trinidad and Tobago Manufacturers' Association actually complained that this increase in 30 per cent of taxes will do an injustice to the small and medium enterprise and actually, they mentioned the fact that certain business places would have no choice but to fold up and it is a strain on the, on the small business. So, this was mentioned.

So, looking at this piece of legislation here, which serves to give some sort of relief, and you know, when you look at the amount of—the Corporation Tax Act, the amendments, and we see some of the relief that it sought to give, I think probably the Government had opened its eyes that hey, this is the time now to try to re-stimulate the local business community and, you know, to try to even get local businesses to invest outside. Because part of this piece of legislation serves to encourage persons to take their business outside.

I noticed a change, Mr. Vice-President, in the past, the Act that we had previously, the Corporation Tax Act. It really restricted the business ventures in Caricom regions. I think the restriction was due to that, if you go to give any sort of incentive to our local business people here, it will be unfair to the other Caricom

persons. So that restriction; I think Sen. Deonarine mentioned that that was so. But as it may be, this serves to say that if you on a first-time business venture, you can go to another Caricom nation and you can actually promote your business there. There are actually incentives to help people, like promotional expenses that you can actually apply for, that could help meet your business venture, like going on a plane trip, exporting your services to others. At least, to me, this would help stimulate a small business person who has their business and wants to export. And this can only do us good, I think, if we can go out, establish a business there and bring in some foreign currency. So this is something again, I look at as an incentive that will help our export to the rest of the Caricom nations on a first-time basis, but also export to other nations; this incentive that has increased. And it is promotional expenses that, you know, for all these years from when this Act first came out. Obviously, there is an increase in expenditure, plane tickets, business, hotels, all these dealings. And this keeps to the fact that it keeps up with the time.

One aspect I have, Mr. Vice-President, that I must look at, is when I looked at the old Act, right, it actually looked at certain activities where your company, if they are doing certain ventures, they will have that tax benefit up to a maximum of \$3 million. And most of those ventures were now increased to \$6 million. So then we could look at this and see it is a good venture. So we look at if there is a company, for instance, if you look at 10J of the Corporation Tax Act, you would see that where:

“...a company sponsors audio, visual or video productions for the purposes of local education or local entertainment or reflecting local culture for radio or television, there shall be allowed as a deduction, in ascertaining the chargeable profits of the company for that year of income...”

So, this serves really to help promote local culture and I think it is commendable

that we can look at that \$3 million and increase it to \$6 million, and hopefully we can get that impetus going, where people may say: “Well, you know, local culture is not really promoted. There is a lack of persons going to calypso tents. There are persons who may not be able to promote their goods and even to cut those videos or”—and again this can help definitely with that local culture.

Section 10K looked at also a production company who also does the same venture. So a company who sponsors can benefit as well as a production company themselves. So it can actually encourage persons to— if I have a company, hire out a company to do this local production, or some young persons could get together and apply for a small business loan and open and own their own production company and see if they can now get this benefit, because the benefits will be there. It went on to other benefits. We are looking at sporting activities, artistic works, you know. All those are mentioned in various parts of the legislation, 10L, 10M. So it encourages these aspects.

So we looked at the fact that performing arts. And in respect of visual work of art, we looked at 10G and I am looking at 10G(2):

“In respect of a visual work of art—

- (a) the deduction may only be claimed in respect of the initial acquisition of the work; and
- (b) the deduction may be allowed where the work—
 - (i) is done by a national of Trinidad and Tobago; and
 - (ii) is certified by an art gallery, which shall submit a valuation of the work done.”

Now, Mr. Vice-President, this aspect here, the art gallery, I think this—you know, we have to look at art. We have to look at religion. We have to look at any sort of religion, ethnic imbalance, any sort of areas of culture. It tends to

sometimes, I find in this country, bring up a lot of talk, “ole” talk, a lot of heated arguments. People will speak about, you know, you are forgetting this culture, you are not supporting Ramleela but you are supporting calypso and carnival. So you will always have that from—I have always been getting this discussion from since I am young. You will always have, from time to time, people crying discrimination. Even some people may say Hosay, you do not look at that as a cultural form.

When I look at pieces of legislation—and I am seeing here that, if we are going to give private companies the right to get a tax benefit from, you know, supporting artistes, we should make sure that they do it in such a way that is transparent and everyone, every race, every culture, every religion, every artistic group will have the opportunity to say: “Well look, this is my piece of art compared to another person's art. It is just as good. This is my culture, compared to another culture.” So what I am saying is, if we are going to use taxpayers’ money to support business ventures, we have to know that they have equal opportunity to persons to come on board and say: “Listen, let me display my art.”

And even, you remember in the past, Mr. Vice-President, art and art pieces “does cause” a lot of controversy in our country. We saw a beautiful masterpiece by one of our top artist. I think he paid millions of dollars that caused some concern about that cost. We have seen a Member of Parliament's daughter had some art pieces that were sold. It caused some problems. So anytime you are looking at art and artists, we have to know: Who is going to judge the pieces of art? So we have to know, who are the art galleries, who will be really saying that this is an art piece and it is worth to say that, you know, that it will be given a tax benefit? So I am just saying, we have to be careful. We have to put things in place that nobody will be able to point fingers and say that these companies are being

used by any particular persons to get favours done or art pieces sold.

And why I mentioned that Mr. Vice-President, again if I go down to 10G(3):

“In the case of a performing art, the deduction shall only apply where—

- (a) the work is done by a national of Trinidad and Tobago; and
- (b) the national rendering such work is registered with the Ministry with responsibility for culture or with the Tobago House of Assembly, in the case of a national residing in Tobago.”

And:

“(4) In this”—case— ““artistic work” means any work of art, whether visual or performing.”

So, Mr. Vice-President, while I support this, I am saying whoever is in the Ministry to judge what is art, what is culture, what could be applied for this; whoever is in that Ministry, is it really in a very—is a position that, you know, they may satisfy some, may not satisfy some. They may be in a Ministry where, if they deem certain things as better art value of another, they may be opening up a can of worms.

So, what I am asking for is, people who are in these positions in the Ministry should have a level of what you call “cultural competency”, where they may be able to be sensitive and appreciate the culture of each and every one in our multicultural society.

And why I say that is we would not like certain companies to get certain tax benefits for certain art pieces, for certain cultural pieces. And persons turn around now and make one set of confusion after and say: “Oh they were bias, they were racist, they did not like my culture, they did not like certain things.”

So put things in place, and this is all I am begging, to prevent any sort of headaches down the future. Because I find when I have to hear these talk over and

over, it upsets me and I am sure it upsets a lot of the persons. So put things in place, transparent bodies who could judge these pieces of all races, all religious organizations, who can be there and look at these things.

Why I mentioned that also, Mr. Vice-President, I look at 10H:

“In ascertaining the chargeable profits of a company for a year of income commencing from the year 2000, there shall be allowed the actual expenses incurred in granting scholarships to nationals who are not employees, directors or associates of” — —the— “company.”

So, again, right now, these companies can give scholarships:

“...tertiary education at institutions...in” —these— “areas of study accredited and approved respectively by the Ministry with responsibility for education.”

Mr. Vice-President, in medicine I have heard allegations made that people have gotten scholarships from different Ministries for medicine and other disciplines, and persons wonder how they got those scholarships. Fingers may have been pointed saying it is nepotism, it was this one know this one's family and whatnot. So I am saying, to prevent that, all I am saying is yes, this piece of legislation can help a young person really get a scholarship if that young person is in sports or even a young in education in a certain area and really needs a scholarship. A company with a kind heart could really get that person to a level where that person could get a tertiary education or a sports scholarship.

But again, we do not want misuse. We do not want—let us say, I am someone in authority, and I can say: “Mr. Company, you give my son a scholarship and I will ensure you are getting your 6 million.” This is where a potential for abuse can occur. All I am saying is yes, \$6 million is a lot of money, but we should ensure that whatever companies are giving these scholarships, getting these

artistic grants or tax benefits, they be above board, because it is really taxpayers' money and sometimes the Ministry involved in also saying what is allowed or not. So I am saying, put some things in place where it could be transparent.

I am thinking if this runs the transparent way, it can benefit a lot of persons. It can benefit a lot. There is a young chap in Toco I know who is an excellent cricketer but he cannot afford to go in any sports academy. A company could sponsor him. He can go and he can be one of the best leading cricketers. But if it is misused, we can have allegations of corruption being pointed at that, you know, years down the line that: "Oh, Government may have borrowed money and they are using this money to fund certain things to use their influence." So just to prevent that "ole" talk, I am begging, let us put some things in place that no one can point fingers. That does not do the nation well.

So, Mr. Vice-President, I would like to move away from this and look now at the fact that Customs Act, Chap. 78:02. Actually, this piece of legislation here where:

"The Second Schedule to the Customs Act is amended in item 6(aa)(5) by deleting the words "\$3000.00" and substituting to the words "\$5000.00."

I commend that. A lot of persons may come in with their good and services. They save up their money to buy things. They come in here. At least this will give some level of relief to persons coming into the country.

When I looked at the Co-operative Societies Act which was:

"...amended in section 41(3) by deleting the words "five thousand dollars" and substituting the words "fifty thousand dollars.""

This, again, is something that we have to commend. Member Jennifer Baptiste-Primus actually shocked me when she mentioned the price of a funeral could range from \$8,000 to \$50,000. So that range, it is expensive. It is probably,

you know, and then you know, so most of—I think this legislation was in 1971. So definitely, I mean in Trinidad it is expensive to die. [*Crosstalk*] Yeah, you cannot afford. It is expensive to die.

So what I am saying, this piece of legislation, I support it fully and I know we have a grant that we also get from social welfare. I think it is around seven and there is an NIS grant and probably, you know the NIS grant may have to play catch up, a little catch up, to this figure. Not to 50, but I mean the minimum, I think is 8,000 but they have to play catching up in other pieces of legislation.

I would like to just mention the fact that when I looked at the Petroleum Taxes Act—you know, the hon. Member mentioned that we are looking at raising this tax credit from 20 to 25 per cent on the petroleum tax. As a result of trying to encourage these plants to our old plants to see if they could regenerate, if they can continue, a beautiful piece of legislation, I think, to support and to help.

So all in all, Mr. Vice-President, I would like to say that these measures I think are needed. These measures, I hope they could stimulate the economy. I hope we get some foreign exchange to come in. And I see some measures here will in fact help some of our members. They are coming in through the airport, persons who have this funeral grant. I say I would support it and I thank you Government for bringing such a legislation. Thank you. [*Desk thumping*]

Sen. Dr. Maria Dillon-Remy: [*Desk thumping*] Mr. Vice-President, I thank you for the opportunity to have this brief contribution on the Finance Bill, 2019. My comments are going to be confined to clause 2, section C of the Bill, which seeks to amend the Income Tax Act, section 48M:

“...by deleting the words “twenty-five per cent” and substituting the words “one hundred per cent.””

I applaud the decision by the Government in their provision to increase the

tax incentive for solar water heaters. And hon. Minister, my question was—and since I have just been enlightened by the hon. Minister Le Hunte about this policy, I will still state it—I wanted to know what was the overall policy on renewable forms of energy? And I ask that still, because I know how many times we do things in the heat of the moment and we do it and they remain on paper.

Just as Minister Le Hunte was indicating that had happened with the previous Government, I would hate to see a good thing go to waste. And I do think that this is a good initiative. I just want to make sure that it is really, it really just does not stay on paper, or it is something that is just done now and then next year or two we do not see any more initiatives to it.

I had read a report from the Regulated Industries Commission, dated July 2019, entitled “Towards Renewable Energy Deployment in the Electricity Sector of Trinidad and Tobago”. And some of the recommendations of that article on the priorities of the Government of Trinidad and Tobago on renewable energy agenda should be, and they indicated that they need to establish a clear renewable energy policy with targets, strategy and road map. Well now that the policy is laid, my understanding is it has to be made known so that people could get onboard with it. They also indicated that they wanted to see established legislative, an article from the National Energy Corporation of Trinidad and Tobago, entitled: “Renewable Energy in Trinidad and Tobago”, the then hon. Nicole Olivierre, Minister of Energy and Energy Industries at the time, I think it was in 2015, indicated that consideration was being given to the achievement of at least 10 per cent of the total of local electricity generation from renewable energy by 2021. That was said then.

Hon. Minister, you just indicated that the Trinidad and Tobago policy is that we are committing to increasing the production of electrical energy from renewable sources to 10 per cent by 2031. I just want to know what exactly is it?

Is it 2021, 2031? I am asking for clarification of this discrepancy.

Mr. Vice-President, the hon. Minister, I would like her to clarify if the 12,000 persons that you had mentioned so far benefiting from the incentives that were introduced, is that 12,000 since October 3rd, when the budget was read? Or was it since it was on the books in 2011, that there was supposed to be a tax incentive for purchasing of solar heaters? Because it was in the—the part that is being amended to the Income Tax Act was there since 2011. I am just asking whether the number of 12,000 persons were persons who took the initiative since that time, 2011, or is it since October the 3rd?

I am saying this because I just wanted to know whether the increase from 25 per cent to 100 per cent would— what are we expecting to happen from that? Are people going to run for it? If people did not run for it before, are they going to run for it now? Are they going to take it up now, because they think that the Government is really serious about this and they would— they are getting onboard to something that is going somewhere?

I am saying this, hon. Minister, because it was mentioned by one of the presenters before about the initiative to use CNG and give the compressed natural gas cars, they had no taxes on them. I am still waiting on the CNG station in Tobago two years after purchasing a car, you know. It has been said: “Oh yes, it is coming, it is coming.” But it has not yet come. I hope that this kind of initiative will not be such, but we will see the effects of it soon. With those few comments, Mr. Vice-President, I thank you. [*Desk thumping*]

The Minister of Agriculture, Land and Fisheries (Sen. The Hon. Clarence Rambharat): Thank you very much, Mr. Vice-President, for the opportunity to make a short contribution on this Bill, the Finance Bill, 2019, which seeks to give effect to some of the measures announced in the budget 2019/2020.

Mr. Vice-President, to use a word that I learnt in secondary school, as she is wont to, I listened to Sen. Haynes read a lot of headlines from the newspaper, including one on the Prime Minister's residence, and once again declare boldly that this Government has done nothing in four years-plus. Well, I want to exhibit one. I am proud to associate myself on your behalf in this Senate with one headline in the newspaper. It is from the *Newsday* yesterday. *Newsday* yesterday Jada Loutoo, and it reads:

“Couple to ‘explain their wealth’ under new law”

That is a significant achievement in this country. It did not just fall from the sky. You see, in September 2015, after several mutual evaluation rounds by CFATF and FATF—acronyms that we have grown familiar with because this Government has brought several pieces of legislation to deal with international financial obligations—this explain your wealth legislation was part of a suite of legislation brought, not just like that, consequent upon the laying for the first time in this country's history, of a legislative agenda to cover the period 2015 to 2020. So, this Government laid a legislative agenda, covering several areas of law, including financial and including crime-fighting and becoming compliant with our obligations in relation to anti-money laundering.

Alongside that, anti-terrorism legislation and other things relating to dealing with crime in this country, including anti-gang legislation, legislation depriving certain persons of bail, legislation dealing with firearms, including one which was surprisingly refused in this House, legislation dealing with automatic firearms, refused by my friends, I should say. But thankfully supported by seven of the nine Independent Senators.

So my first point is this, I am not going to go into the infrastructure projects and the cutting out of corruption and wastage. My colleagues on this side have

addressed this over a period of time. But I would say, if there is one thing we have done as a Government, for this country from 2015 to now, is to deal with the criminal law legislation that is required and to deal with our international commitments relating to anti-money laundering, much of which languished under my friends. And when I see as a citizen of this country, when I see a headline like this:

“Couple to ‘explain their wealth’ under new law”

I feel that we are heading in the right direction.

We would not complete it by 2020. But in the next five years we will build on what we have built on, because we have demonstrated, not only the willingness but the capability to bring to this country the leadership and the work ethic, particularly in the Houses of Parliament, that this country requires. [*Desk thumping*]

7.25 p.m.

I listened to Sen. Haynes, our priorities are skewed. You are very correct about that. We have avoided the IMF, which is where you were taking us, because you obviously had no plan. With revenue where it was, the only, the only contribution you managed to make to the Heritage and Stabilisation Fund was money that you borrowed. And while our revenues were declining, you continued to spend, and what were you spending it on? Election spending. The only place you did not build box drains were on trees, and given another few months under the Constitution maybe you might have done that. But, your spending was out of control.

I have said it to you before. In your haste you contracted for the Point Fortin hospital without putting the financing arrangements in place, I told you that. And it is not a question of the PNM in government repeating these stories. It is just to

remind you of what we have spent our time doing. You gave a commitment to build a hospital in Arima, again, no financing arrangements in place. You agreed to double digit increases across the public sector. And my question to you is, has the productivity increased? You gave a significant and unprecedented increase to the public sector at a time when you were aware that the energy revenues were declining, core revenue was declining. You did not make any arrangements to pay the back pay. You were fooling the public servants. So you granted the increase, you signed the agreement.

In fact you are right, you signed a record number of agreements deposited in the Industrial Court, but you also failed to pay a record sum of back pay that we inherited. And we came to work finding, that in your deliberations and negotiations with the public sector unions, you made absolutely no change in the design of the public service. So what we have today remains what has been around all the time. There has been no increase in productivity, and no greater efficiency in the public service, but there has been a \$5 billion debt that we have had to settle.

You said our priorities are skewed. You are right. Our priorities are skewed in the sense that while your school building programme, for example, these schools that you say you built, well, they were mere conduits for corrupt tendering practices.

Hon. Senator: Tell them.

Sen. The Hon. C. Rambharat: And we have had through EFCL and through other parts of the State, we have had audits, we have had investigations and we have had matters which are before the courts. Because it is not a matter of just building, it is not a matter of just spending, it is in the manner in which you have done it. And everybody mentioned the Beetham Wastewater that you rushed through at the end. Awarded to a contractor whose bid was several hundred

millions, a favoured contractor, a few days before election.

And you know, does it bother you? Does it bother you in any way when you make your boasts, does it bother you in any way, that the contractor who got the most contracts in terms of value under you, has not been in Trinidad since the Government has changed? Does it bother you that Mr. Lalla has not been in Trinidad since September when the Government changed? Why? Why would somebody who had such a lucrative contracting business with 60-something companies, doing so well, able to beat an international contractor out for that Beetham Wastewater project, able to convince you that they should get a 40 per cent upfront payment. Why has the principal of that company, and those companies, not resided in this country since you lost government? Why do you not tell the country that?

Our priorities are skewed, because we have put things in place, not only for something like that not to happen, but for persons who are of interest to this country to one day be held accountable wherever they are. And this issue of the Prime Minister's residence, you know, last night I shared a photo, last night the Parliament posted a photo of the almost-ready Red House, the almost-ready Red House, and I shared it on my Facebook page, because you know what? I am proud that the Prime Minister, the Prime Minister of this country, took personal responsibility to oversee the completion of the Red House, President's House, and Whitehall. He took personal leadership to ensure that if not, this 5-year term, because we have not been able to afford completing the Eric Williams Library, that we will do it. And at least one person said, "But you could be feeding people with the money, you could be doing this, you could be doing that". But the PNM is held answerable for the sins of everybody else, you know.

You know, nobody is looking. You know, there were sacred bones buried on

the Red House site, but nobody is thinking about the millions, if not billions, you buried when you were in Government and you had responsibility for that site. Throughout your term, that Red House was covered with galvanize, galvanize like a shanty town, and millions upon millions were being spent, and we had no choice. What would we have done? You say that there are priorities, there are priorities and that was one. In order to save what was spent and sunk and wasted there we had to finish it. And it is not a place for liming and partying, you know, it is the seat of Government, it is the seat of the Parliament. And in doing that, we have also said that this space that money was spent to develop so that we could use as an alternative is not going to waste. We have said to relieve the burden on the Hall of Justice, the Hall of Justice is going to be used exclusively for the criminal courts and more than 25, I think the number is 34, civil courts will operate from these floors once occupied by the Parliament.

So this thing about you not seeing anything. Obviously you are not seeing anything, because you are not seeing your friends around you, you are not seeing your financiers around you. What you are seeing is a country sunk by you into the depths of debt, a box drain country and culture created by you, slowly being reversed while we repair the society and repair the finances of this country, and you are in no position, you are in no position to cast any doubts on this Government because you do not know how to run anything in Government. [*Desk thumping*]

I listened to my friend Sen. Mark, most experienced of my colleagues on the Opposition Bench. And he said we promised exporting oil for earning forex, we promised that. Well, let Sen. Haynes read the headline for you. Heritage for the first time in the country's history, Heritage sold crude oil on the spot market and earned foreign exchange for that. And it was same—all of you, became crude oil

experts and said it is “sour oil”. You know it reminded me of when the Opposition Leader held up the two containers with something black in it, I do not know if it is molasses or what. And announced the largest find in my part of the country, southeast Trinidad and nothing came out of it.

Heritage has been able—that is how Heritage has been earning its foreign exchange, selling on the spot market before the crude was refined here. But it is now selling, and for somebody like Sen. Mark, an economist, to make such a loose and flippant statement on something so significant—[*Interruption*]*—*he did. “Allyuh was not” listening to him as usual, but I like to listen to him, he is my friend. And talks about the Government has not only crashed this economy, but the Government is also bankrupt.

Listen, listen, learn the math. In my Budget contribution I said to you in relation to Sen. Obika’s contribution, all you see is money to spend. Like a little child in a parlor. Money to spend but nowhere in your thinking, or your communication or your logic do you talk about paying for it. I grew up in a culture where we had to—“ting tight, tight, tight”. You always had to be worried about how you are paying for it and trying not to embarrass your parents by showing an interest in anything, because you know they could not afford it, they simply could not have afforded it. We did not bankrupt this country, or we did not crash this economy.

Our dependence on oil—we rode, when the ride was good we rode as a country. And when the revenues declined as significantly as it was, we had to deal with it. And I said it before, I am surprised, I sit in a Cabinet and I am surprised that between the Prime Minister, and the Minister of Finance, and the Minister in the Ministry of Finance when she joined the Cabinet, they have been able together with the public servants to hold it together, to hold this country together.

That we could still go on the international market and borrow, that we could still raise funds, that the downgrades we experience, partly on account of our state sector, partly on account of Petrotrin and its indebtedness, we were still able to borrow. That we could have launched NIF and floated NIF locally and still raise more than we set out to raise. And other companies in this country have been able to enjoy success even though sometimes, sometimes they complain, and complain, and complain because we cannot seem to please the business sector in the way in which they want to be pleased. But everybody has to make a contribution towards the survival of this country in the circumstances.

And then I listened to this thing about Treasury bills. Well, listen, the legislation is there, I remember a similar in the NIF, I remember a similar thing being said about government bonds and about bonds and so on, and we doing this—even Saturday I had to hear that maybe we are printing more money than we need to replace the \$100 bill and all this nonsense that we hear sometimes. The point is that, and my friend, Sen. Deonarine distinguished between Treasury bills for debt management and Treasury bills for mopping up operations. Well, the fact is that even when my friends were in government, even when you were in government with all the liquidity in the country, with all the money flowing and box drain money all over the place, you were using Treasury T-bills consistently, and maybe not even you, because that is how the public servants and that is how the system operates. You were routinely issuing \$625 million in T-bills and repurchasing and issuing and so on, consistently. And since September 2015 to now, four and a few months difficult period, this Government has never, has never gone past the billion-dollar level on T-bills for debt management purposes except on four occasions. That is the only time. And on those four occasions we have just gone over 1 billion, 1.2 billion, I believe being the highest.

So to ask for room to move from 5 billion to 7 billion is not consistent with what we have been doing in relation to T-bills for debt management purposes. But we do not want to have to come back here and we do not want to have to be in a position, because we have not lied to the country. We have said consistently that we have had problems meeting the wage bill. We have said that consistently. The biggest claim on the revenues in this country is the public sector wage bill, we have said that. I have said in the budget allocations when you look at recurrent expenditure, I have said across Ministries, 65 per cent is the average in recurrent expenditure for which the wages and salaries have to be paid and we have said to you consistently that there are times when we cannot pay wages.

I, for example, in the Standing Finance Committee, I talked about cable, a simple thing as cable and Internet, I came in as a Minister and I inherited \$11 million for Forestry Division alone.

PROCEDURAL MOTION

The Minister of Agriculture, Land and Fisheries (Sen. The Hon. Clarence Rambharat): Mr. Vice-President, in accordance with Standing Order 14(5), I beg to move that the Senate continues to sit until the completion of the business at hand inclusive of the Matters on the Motion for Adjournment.

Question put and agreed to.

FINANCE BILL, 2019

Sen. The Hon. C. Rambharat: Thank you very much, Mr. Vice-President. Mr. Vice-President, in closing off on Sen. Mark's contribution, I want to refer to two more things. One is what Sen. Mark calls the Government's cardinal sin, closing down Petrotrin. And I say once again in this house, I say it again. I have heard since September 2015 when I was sworn in, and in the many discussions in this House including a Motion on the Government's decision on Petrotrin, I have not

heard from the Opposition's Bench, or anywhere in the Opposition, a proposal for dealing with Petrotrin; I have not heard that.

In fact, post Petrotrin, because Petrotrin, the core of Petrotrin is still there, the core business of Petrotrin is still there. I have not even heard a plan for Heritage, we will have to wait because, you know, sugarcane in this country was shut down in 2003 and it took 16 years for our friends in the Opposition to come up with a plan to bring back Caroni (1975) Limited and sugarcane. So 19 plus 16 is 35, by 2035 we may hear this plan for Petrotrin. And the bullet payments would have become due this year and next year and our friends on the other side would still, as they say, they would have still been standing in their shoes and wondering.

But this was not a simple decision, this was not an easy decision, but when I stood there and spoke on the Motion, I said to the country if you say there are 9,000 jobs involved in Petrotrin, you are concerned about the 9,000. I am concerned about the 1.2 million people in this country, including that 9,000. [*Desk thumping*] And if we could not find a way to fund, [*Crosstalk*] if we could not find a way to fund those two bullet payments, we would have been in an even bigger predicament.

You see— [*Interruption*] I will refresh your memory just now, young man. You see, when you had to fund the highway to Point Fortin and the \$7 billion cost, you did not see a problem in not borrowing because you had a problem.

Sen. Obika: You all are not borrowing either.

Sen. The Hon. C. Rambharat: You see, a project of that nature, just remember international lending rates. When you went out under then Minister Dookeran, when you went out to get an idea of the rates at which the lending would be made for that Point Fortin project, the rates were extremely low because rates were low in the international market—

Sen. The Hon. C. Rambharat (cont'd)

Sen. Obika: Are you borrowing now?

Sen. The Hon. C. Rambharat:—and you spoke to the Dutch. But the thing about it is the conditions, because with an international lender you would not have been able to hand pick the contractors and the subcontractors and so on. You would not have been able to manipulate designs and all of that. You would not have been able to engage in the corruption that you have engaged in, in relation to the land acquisition. [*Desk thumping*] You would not have been able, because I said to the country—

Sen. Obika: “So, you all in corruption?”

Sen. The Hon. C. Rambharat:—I said to the country in my newspaper column, that the problem in that Point Fortin project is not the fact that you funded it out of recurrent because you did not want to be under the scrutiny of an international lender. The problem is the land acquisition and a commission of enquiry will tell us what went on there.

We could not do that with Petrotrin. We could not fund the two bullet payments out of revenues. We could not engage in “simi-dimi”. We had to go—and I congratulate once again the leadership of Heritage, the Minister of Finance, the Ministry of Finance, and above all, the Prime Minister, for being able in those difficult circumstances and in a challenging lending market to be able to refinance the two bullet payments in that Petrotrin debt. You would never have been able to do that, you would never, because your idea of crude oil in this country is the Opposition Leader holding two glasses with some dark substance in it and calling it an oil bonanza.

And where did you miss the many statements the Prime Minister has made. Where did you miss it? He stood in the House, he stood in the House in the debate on this Bill and he engaged the country on this issue of bp and Shell. And when

you said—and your surrogates out there, when you and your surrogates, just as you are trying on ministerial titles, you have people out there trying on ministerial titles too. But your surrogates out there were saying, “You should not stand up to bp, bp will pack up and run”. It is the Prime Minister who said on Friday night in this place, he said why would bp even contemplate that, when their shareholders know that 25 per cent of their revenue comes from this little rock here and the waters around it? You must be foolish. You must be foolish to even believe that somebody with the experience of Keith Rowley, as Prime Minister would not fight for more than a fair deal for this country and win. [*Desk thumping*]

And that money is not petty cash, it is two billion-dollar payments, one from Shell and one from bp that found its way into the country’s coffers and may have paid for medicine and may have paid to just keep us afloat, and we did nothing? I am happy that our priorities are skewed, Sen. Haynes. I am happy that it is skewed to always trying to keep this country afloat, trying to do right by our people to set this country back on to the right path and to run the financial and moral affairs of this country in the manner that they should. And we will not always get it right. [*Desk thumping*] We will not always get it right. But on those days when we deal with matters of significant importance in this country, this PNM Government from 1956 to now, has shown that we could get it right. [*Desk thumping*]

And I want to close off by telling, you see, I understand the local government elections, and elections well; I understand it, I take my wins and my losses with the same smile. But I want to tell you something when you are analyzing local government election results, let me just remind you of something. You won in 2010, you won in May 24, 2010, and you contested a local government—“allyuh was not around yet, allyuh just come”—contested a local government in 2010, 26th of July, 2010, you contested an election and you won 74

Sen. The Hon. C. Rambharat (cont'd)

seats. And, you know, you won in areas—but you see, we never know who we dealing with, because when it is convenient to you, you fly your yellow and your UNC, and when it is convenient for you to be something else, you call yourself COP, and then you hook up with NJAC, and then you hook up with Abdullah. [Crosstalk] Right?

Sen. Baptiste-Primus: 45(1), Mr. Vice-President. Let him allow the—

Sen. The Hon. C. Rambharat: We know when we peel—

Sen. Baptiste-Primus: They are interrupting him. Let them be quiet. [Laughter] I am serious.

Mr. Vice-President: I understand. Still, Minister continue. And Members, obviously just monitor the noise in the Chamber as the Minister is making his contribution. Continue, Minister.

Sen. The Hon. C. Rambharat: We know, because I know about mammals, you know, I know mammals who change their skin. But I do not know many creatures who borrow somebody's skin. I know about people who borrow clothes, but I “doh know about political party who does borrow—”

Hon. Senator: Colours.

Sen. The Hon. C. Rambharat: A COP jacket, an MSJ pants, an NJAC hat—

Hon. Senator: Nah, shoes.

Sen. The Hon. C. Rambharat: You are in the business of disguise. “When yuh see de balisier coming, is we.” The whole country knows that. [Desk thumping] So with some help from some friends, with some help from some friends in 2010, in 2010 you took San Fernando, right.

Sen. S. Hosein: Look, Rohan, ask him about Grande.

Sen. The Hon. C. Rambharat: You took Diego Martin, right. You got one in Port of Spain with some help from some friends. But keep smiling and learn your

Sen. The Hon. C. Rambharat (cont'd)

history. On the 21st of October, 2013, energy revenues—the 2014 is when the trouble started. Energy revenues are the highest during your administration, money flowing, liquidity in the economy all kinda things happening. You say you created 80,000 jobs, you have 80,000 jobs created. Monday 21 October, 2013, you move from 74 local government seats to 46; 46.

Hon. Senator: “Ohhhh.”

Sen. The Hon. C. Rambharat: You are in government, you are in government, you are in control, money flowing, right? Learn your history, because let me tell you something, I will I close by saying this, I will close by saying this. The harsh decisions this Government took, the harsh decisions this Government took, particularly in the one thing you wish you do not wish to interfere with, is Petrotrin. You are so afraid of Petrotrin that up to now you cannot articulate a plan for post-PNM dealing with Petrotrin, you “fraid” Petrotrin. You “fraid” the TTRA, because you do not want to interfere with customs, you do not want to interfere with the PSA, “yuh fraid, yuh fraid, yuh fraid”.

I am proud to know that having made the harsh decisions, having had to do the things that we have had to do as a Government, that we could still face an electorate as we did in '16, as we did in '19, and drop three or four local government seats. [*Desk thumping*] Because you are afraid, you are afraid. And while all of you and your friends are trying on ministerial titles and you are shopping for ministerial vehicles, I will tell you this—

Hon. Senators: Not us, not us.

Sen. The Hon. C. Rambharat:—if you get into Government, you will have the same numbers to face that we face. You will have the same problems with the energy sector that we faced. The difference between you and this Government is that we face it, we confront our problems and this country's problems with a brave

face and with a plan. And with a plan not to only win an election and get into government, but to lift this country and change this country in the manner we believe we are capable of changing it. I thank you, Mr. Vice-President. [*Desk thumping*]

Mr. Vice-President: Hon. Senators, at this point in time just permit me to suspend for seven minutes. This House will now stand suspended until 8.00 p.m.

7.53 p.m.: *Sitting suspended.*

8.00 p.m.: *Sitting resumed.*

Mr. Vice-President: Sen. Obika.

Sen. Taharqa Obika: Thank you, Mr. Vice-President. I want to start with words of a very respected woman in our society: “Shameful, reprehensible, misogynistic.” Those are the words of Folade Mutota in describing the treatment meted out to her and the members of a committee. And the first two words are very applicable to this Government’s entire, mishandling, bad management and, of course, corruption in this economy in Trinidad and Tobago. It is shameful and it is reprehensible.

The Minister of Agriculture, Land and Fisheries said that they got criminal legislation as an achievement but, Mr. Vice-President, what people want is crime to be fixed. When you have over 500 murders in the country, talking about criminal legislation and patting yourself on the back is not what people want. People want you to fix crime but, again, you have a Government who is eluded. But you cannot blame them, because the loss that they suffered recently has been so debilitating that we can understand that this Government simply does not understand that the people of Trinidad and Tobago, they want jobs not bulbs. [*Desk thumping*]

And they talk about getting it done. The Minister of Agriculture, Land and

Fisheries spoke about getting it done and getting the Red House done and so on, but that is a project in continuity. But then of course, they talk about getting the palace done in Tobago and getting White Hall done for the Minister. But what about the schools in the country? They are not getting that done. I was walking in Valencia and there is an early childhood centre covered with bush, in a constituency held by the PNM. Well, it would not be held for any much longer because we have the general election to face.

So you see what the people in Trinidad and Tobago wants, and the Minister of Agriculture, Land and Fisheries said that the PNM—the Prime Minister held himself personally responsible for the Red House being completed, well that is okay. But we want him to be personally responsible for taking laptops from children. And on Monday with the election, they saw that result. People in Siparia, people in Sangre Grande, people in San Fernando, held—and in Princes Town Corporation—held the Prime Minister, and the PNM personally responsible for taking away their jobs. Imagine, Mr. Vice President, you “gone down” to a community, people have lost their jobs, their families cannot see their way, big men crying, then the Government goes in to Santa Flora and breaks down homes on lands that were former Petrotrin lands. And what they give them? Lights, lights on grounds. They are thankful for the lights, but what they want is money so they could pay for their own electricity bills so they could light up their own houses. [*Desk thumping*]

Of course, there is a saying in Trinidad and Tobago now that, the potholes have little road. They stop calling the roads “roads” again, it is only potholes across the length and breadth of this country.

Sen. S. Hosein: Pothole and pavement.

Sen. T. Obika: And when you hear the Minister of Agriculture, Land and

Fisheries talking about talk, and we talk, and so on. We in the UNC pass that you know, we say, “Talk done, talk done.” [*Desk thumping*] Let us get Trinidad and Tobago working again. And, of course, the Minister of Agriculture, Land and Fisheries spoke about the PNM, the PNM is the PNM alone, and that the UNC would pull the COP, and they would pull the workers, and they would pull NJAC, well what it is, we are the whole country. [*Desk thumping*] We are the whole country. [*Desk thumping*] We represent the people of Trinidad and Tobago. And on the local government election over 200,000 citizens of the Republic of Trinidad and Tobago heard the message and they sent a message to this Government that they are ready for change, “talk done”, and it is time to get Trinidad and Tobago working again.

The other thing that this Government has been perpetrating, which is a big fraud, Mr. Vice-President, is about Heritage making a profit. The debt, the billions of dollars in debt that the Minister of Agriculture, Land and Fisheries talked about paying, is PNM debt, that Ken Julien and a PNM Government created, all right. So, they created the debt, Petrotrin was servicing the debt under the Kamla Persad-Bissessar government. They came, they closed down Petrotrin, in fact, telling total untruths. Because if you are a citizen of this country, how can you forget when the Prime Minister himself said it, as we say in Trinidad, with his own mouth, “wit he own mouth”, if in fact “you were closing the fridge door and yuh didn’t hear meh, the Government of Trinidad and Tobago is not closing down Petrotrin” and immediately after, like an insult to the people of Trinidad and Tobago, you had Wilfred Espinet in a cottage meeting, saying “Doh call meh in no hour ah de nite, doh ask meh how much ah we going home again, all, all, all, going home.” [*Desk thumping*]

So the plan of the UNC is not, was never to, will never be, and has never

been, and we will never have shut down Petrotrin. And the Minister of Agriculture, Land and Fisheries said it is just 9,000 workers. Well, the thousands of people in Siparia east, Siparia west, San Francique, formerly held by the PNM, sent that message that is not just the 9,000 workers. When you closed down Petrotrin, you shut down the entire community. The people in Marabella, in Marabella east, even in Marabella west, we came very close. People in Vistabella, by voting for the UNC, sent them a message that when you close down Petrotrin—people in Claxton Bay, when you close down Petrotrin what you did, you shut down the communities. But the PNM under this Government, they do not care about south, south “doh” exist. In fact even their own constituents are irrelevant to them. That is why they could disregard their constituents in south Trinidad. Oh, how far they have fallen from the tree, because we know the former Prime Minister was a south man to his heart. Not under this incarnation of the PNM. South is a shanty town, in the words of the Minister in the Ministry of Finance, “San Fernando is a shanty town”—

Sen. S. Hosein: I know Kazim will never agree to that.

Sen. T. Obika:— under the PNM.

Sen. Ameen: Kazim will never say that.

Sen. T. Obika: Another fraud, Mr. Vice-President, perpetrated on the people of Trinidad and Tobago by this Government is the fraud of the NIF, the National Investment Fund being successful. And they floated it and it was successful. When a government forces their employees in NIB to purchase the fund, forces their employees in NIB to transfer funds to spend the billion dollars in the NIF, how can you say that was a free and fair float? “Is boss to employee, dey must do it or else dey lost dey wuk.”

Of course, again this is the issue that we have, and when one looks at the

Lashley Report, Mr. Vice-President, the Lashley Report never spoke about closing down Petrotrin. [*Desk thumping*] Now, I heard a new strange sound tonight, Mr. Vice-President, the Minister of Agriculture, Land and Fisheries and Leader of Government Business today, has declared to the nation that the highway to Point Fortin under the last Government, they did not borrow because they wanted to engage in corruption, and then I asked him, have you borrowed? They have not borrowed to fund the highway, therefore, if anyone says they have borrowed, Mr. Vice-President, we know that is total fraud. They have not borrowed the funds required to finance that highway, all right. What they have depended on was the releases from a performance bond that, of course, was because it was properly secured [*Desk thumping*] in a contract by the People's Partnership Government under Kamla Persad-Bissessar. Only when you have a properly engaged contract that you can get a performance bond from it.

So, by the very words of the Minister of Agriculture, Land and Fisheries, Mr. Vice-President, by the very words of the Leader of Government Business today, Mr. Vice-President, the fact that this PNM Government has not borrowed for the Point Fortin highway, it means that they have done that to engage in corruption. They have done that to engage in corruption because those were his words. That was a Freudian slip, it was not meant to leave his mind and reach his lips. But we have quandary tonight. It is because the PNM wanted to engage in corruption, we have heard it from the very lips of the Leader of the Government Business tonight in the Senate of the people of Trinidad and Tobago, that they wanted to engage in corruption in the highway to Point Fortin. I will leave that there.

Now, Mr. Vice-President, in this country, this Government has overseen the departure of ArcelorMittal, they have overseen the departure of that rig

construction to Mexico for bp. They have overseen the departure of Yara. The only reason why Yara did not pick up everything and go, all their stumps and leave, and all the plants did not shut down is because the Government has a stake in one of the plants. I ask the Government, from the closure of ArcelorMittal, from the closure of Yara, from the loss of that rig for bp, how much high-level jobs, how many families have suffered because of that negligence? Because you are telling people, “We big and bad, we will rough up people, this is we space here.” But you see, internationally, negotiations require sophistication, it requires understanding the issues that are at play.

And as we turn to that, I want to turn to a very important thing because we have said across the length and breadth of this country that the PNM talks. They talk a good talk but “is just talk.” At the end of the day when you boil down what even the Attorney General has to say about the laws that they create “is just talk.” Where is the action? When you look at the results, the murder rate is the highest it has been consistently in the history of this country, under this Government, above 500. Now, if that alone—that alone should be enough to show the level of ineptitude of this Government.

However, I want to say, that probably the hardest working Minister of this Government, if anyone works at all, would be the Minister of Foreign Affairs, because at least he travels to foreign. [*Desk thumping*] You know, but even in his travels, the hon. Minister, has overseen the most calamitous mishandling of our foreign policy in this country. Imagine we cannot even go to our neighbours in Dominica “de people and dem get flattened by ah hurricane, and we directing ambassadors not to allow dem to have a waiver of their funds”.

So Mr. Vice-President, I do not need to go into all the negatives because I cannot respond to everything everyone has said, but I will try because of course we

have a Bill, with eight material clauses, because the first and the last are immaterial really.

The first clause is the Treasury Bills Act, and I need to respond to what the Minister of Agriculture, Land and Fisheries said. Now, even if you tell a child, Mr. Vice-President, that you have a limit to borrow of \$2, or let us say, \$3, and last year I increased your limit, you could borrow \$5, this year you can borrow \$7—before it was \$3, eh, all the time—and the person comes and they borrow up to the \$5, they need to borrow some more, they reach in the \$7, who borrows more? The one who had it at \$3 or the one who have it at \$7? Even a child, Mr. Vice-President, could tell you that it is obvious that the Government under this Government, the use of the treasury bill facility in the Central Bank is one that is not in accordance with what it is for, and that they have over abused it. And here is the reason why.

8.15 p.m.

They have maxed out the overdraft. They have reached the limit of the overdraft. Based on the formula, revenue projected, 47 billion, they should have an overdraft facility at around nine and a half billion, sorry, no—expenditure figure, 12 billion. So they maxed out the overdraft facility. So, therefore, where do they go to borrow? They go to the Treasury bills, and you know why they do that? This is the other issue with regard to not being up front with citizens of this country. When you are not being up front with citizens of this country, you go through all these “simi-dimi” approaches to borrow.

What they should have done, if they were interested in the proper use of the T-bill facility, if you have borrowed up to \$5 billion, you go and you approach your bankers locally, because it is local. You try to find a consortium of banks that will lend you \$3 billion, you amortize that. You can pay off that in five years,

seven years, what have you and, therefore, you have an extra 3 billion within the 5 billion Treasury bill limit so that you can continue facilitating short-term borrowings. That is simple finance, simple finance. But this Government, the reason why they will not do that, Mr. Vice-President, is because of what the Independent Senator Deonarine said. The reason why they will not do that is because they are simply trying to artificially, fraudulently, keep the debt to GDP level below 65 per cent. That is fraud. That is financial management fraud in the fiscal management of the resources of this country. This Government is perpetrating fraud on the citizens of Trinidad and Tobago in the way that they are mismanaging the finances. [*Desk thumping*] So, in fact, this first clause regarding the Treasury Bills Act, should never see the light of day. It should never. They should have simply taken of part of the debt that they are trying to refinance and take a long-term loan or a medium-term loan. So we move on to another clause.

Now, clause 3 speaks to the Income Tax Act to provide for the increase in solar water heating. That has been there, it has just increased to 100 per cent, but people around the country are saying, I mean, this Government is an upside-down Government—put the cart before the horse. They gave you water tanks, you “doh” have water. In the campaign in Belmont, last year, in the bye-election, people complained to Sen. Mark. They have not had water for three weeks. We had to approach WASA and, basically, lay down the rule. We had to read the riot act to WASA, because this Government, certainly this Minister of Public Utilities, has fallen asleep on the job. But the licks that they got in Siparia and Sangre Grande, if they were sleeping for four years, it wake them up, and they are now standing up and recognizing that the people are not buying their story.

So you giving them water tanks, but no water to put in it; solar water heaters, but no water to heat; pothole patching, but the whole road in the country bad;

saying they care for education, but they are closing down schools and they are taking away access to GATE, telling people if you are 50 years, you are too old, in a society where the retirement age has already increased in many private institutions to 65 years. It has already increased. So what you are telling someone is, despite your ambition at 50, you are not entitled to improve your retirement position, you do not deserve education, despite having contributed to the development of this country. Hospitals with no medications, not even a Panadol in some, and when you are lucky, you might get one medication, you cannot get the other.

To get gas, Mr. Vice-President, this Government manufactures crisis after crisis. You have a situation where we are talking about the Petroleum Taxes Act, we are talking about amending the corporation tax for certain allowances, but you have a situation where the Government, Mr. Vice-President, the Government is trying to railroad a private company, a large employer of citizens in this country, simply to prove a political point, that they have failed in closing down the Petrotrin refinery, and after that failure you now have a situation where Unipet could not get gas. You manufactured a crisis. The \$100 bill, a next crisis. The only thing, Mr. Vice-President, that was trending on social media today more than the lady—and I feel sorry for her family—who fainted outside of a commercial bank waiting for \$100 bills to be changed, is the Minister of National Security assaulting a citizen on social media. [*Crosstalk*]

So, Mr. Vice-President, I want to turn to another clause in this Bill. This clause is clause 8, which seeks to amend the Co-operative Societies Act to increase the sum of money payable to a nominee or a legal personal representative of a deceased member and, Mr. Vice-President, the Minister of Labour and Small Enterprise Development spoke a lot about value under the Ministry, and there is a

team and so on. But I want to submit that the only team that is being prepared in the Ministry of Labour and Small Enterprise Development is the team that wants to get rid of this Minister. Because under this Minister, Mr. Vice-President, there is a suspension of the Commissioner for Co-operative Development who got his job in a proper employment mechanism. It was the first time in years, because it was a pre-retirement post that a Commissioner for Co-operatives was appointed after on a system of merit and not seniority.

It was properly advertised, subject to an IDB recommendation. There were consultants brought in in the Ministry. I was one of those, but I left on my own to continue my studies to do my Masters. The consultants who were brought in, one of them was removed. The Minister, Mr. Vice-President, needs to re-examine what is the role and function of a Minister in a Government Ministry, and I would leave that there. Now, cooperatives—and I want to say this. This is one point I want to say about the cooperatives after the result of that Minister suspending the Commissioner. After that suspension, Mr. Vice-President, there are a couple cooperatives who I am very familiar with, who ceased operations as cooperatives, because they were told by staff in the Ministry that if they were to approve the liability—the maximum liability limits for the cooperatives—they could lose their jobs just like their boss, the commissioner.

So can you imagine, under this Minister's hand, the Ministry has crippled non-financial cooperatives. What are those? Those are cooperatives that run supermarkets and gas stations and so on, because what they were accustomed to, based on their interpretation of the law, there is something else that is happening, so now many of those cooperatives have decided, you know what? We do not need to function as a cooperative again, and that is crippling because what organizations judge, in the public service, their performance levels by, especially

organizations like these, is how many organizations you can create in a given year, and how many assets under control of those organizations you can build, and that is how you show growth, and that is how you show relevance, and that is why the Co-operatives Division was relevant. Now that the current Minister has taken over the Ministry, you are seeing issues there. So, I want to tell the Government that even when they act, it seems not to be in the interest of the people of Trinidad and Tobago.

I want to turn to the amendments of the Income Tax Act, sorry, the Corporation Tax Act. I apologize. So when one looks at the Corporation Tax Act, Mr. Vice-President—I listened attentively to the Members of the Independent Bench, and they made some interesting points about culture. There are two prongs that one must look at in this country when you are financing culture; one is you must have cultural policy in place. I know persons in this Parliament are very familiar with me advocating for a trade policy, which I take credit for it being ready in the timing that it had been. And there is another aspect to culture, that is the creative industry policy, which I am sure Sen. Paul Richards will be very familiar with, the fact that we do not have one in Trinidad and Tobago.

Now, cultural policy, Mr. Vice-President, seeks to protect aspects of culture that are not necessarily commercially viable. People ask, “Well, why you are paying money for somebody to learn to sing calypso or pitchakaree, and they are just four and five and six years old, and they would never make money necessarily from that. The point is, you protect the culture at that level, so you can have the Machel Montanos at this level. So the Machel Montano and the Voice and the Blaxx and the KI and the Ravi Bs, they will form part of the creative industry focus, but you must protect persons at the ground level.

I am bringing all this to say that no connection has been made in the law. So

it is an opportunity for improvement. So whilst I am saying it might be good for companies to benefit from a tax break to support entities in the creative and cultural sector, I am saying there is an opportunity for improvement in the law—to the hon. Minister in the Ministry of Finance—so to make a connection between export orientation and commercial liability.

So what it means is this. If, for instance, you look at the total amount of revenue lost to the State, let us say it is a billion dollars, from companies claiming from taxes, tax profits, and there is no mechanism, Mr. Vice-President, to measure how much revenue was generated from this tax break—because I am sure when persons donate to cultural events and so on, and they sponsor cultural events, many of these events earn income. When persons sponsor albums and books and so on and works of art, many of these things earn income. Whether it accrues to the State is another issue. So if we can have these cultural persons who benefit from this tax break report to some arm of the State—whether it be the BIR or whoever—the earnings that they would have generated, persons employed and so on—what it does is it provides a measurement mechanism for the creative industry policy.

When it seeks, however, to protect now—and it is non-commercial—there should be a mechanism where the Ministry not only just has them on a register, but it states where it is connected to the cultural integrity of Trinidad and Tobago. I know some attempts have been made by connecting works of visual arts or art gallery but, of course, we need to know if someone is donating and covering an artist, if they earn money, not for the Government to see how much money they make necessarily, but for us to have a fair measure of how valuable this fiscal measure is in terms of dollars and cents, wherever it can be calculated. So those are two issues that I wanted to bring to the fore, because the income and the reports so derived, should be given to the relevant Ministries of trade and finance to

measure the impact on the cultural industry of their policy.

Now, once you talk about Corporation Tax, Mr. Vice-President, it brings you to a very relevant point to this entire debate which is VAT refunds. Because one of the reasons why you would give a company 150 per cent rebate, is because you are considering their timing of their cash flows. That is really, it assists them with cash management and it gives them an incentive to engage in the activity, recognizing that sponsors also give more than dollars. They may give some resources when they are assessing whether or not to assist or not to assist a cultural venture.

So the VAT refunds mechanism of the Government was raised by an Independent Senator, but one lamentation is that the Government still has not clarified as yet exactly what will be the term of the bonds—we hear it is 1½ per cent—but when you look at the yield curve of Trinidad and Tobago, 1½ per cent, Mr. Vice-President, is definitely not a medium term bond. So how long will be the term of these bonds? Is it a five-year bond they are going to be giving the companies at 1½ per cent? That means the Government is not necessarily being fair. They should give them something that matches the yield curve.

Now, there are some issues with the Insurance Act, and I would leave that there at this point in time, only to say that any change that is in line with the changes that were made when we amended the insurance laws of Trinidad and Tobago last session are welcomed, however we will wait to see how it works itself out in actual realization of a stronger and more robust insurance industry in Trinidad and Tobago. So I will give some time where that is concerned.

I want to turn my attention to the Monetary Policy Report because, Mr. Vice-President, when you turn to the Monetary Policy Report of November 2019, and you turn to page 12 of this report, it talks about the energy sector and

economic activity. One thing this Government has not been doing, is giving credit where it is due. Here it is the Central Bank, under “Real Economic Activity” saying:

“After being boosted in the first quarter by the coming on stream of the Angelin facility in February 2019, natural gas production turned downward”—because of a shut down.

So what they are saying is, in the first quarter of this year, the Angelin facility came on stream and that increased and boosted output in terms of gas, and that was as a direct result of the People’s Partnership Government policies, a direct result of that.

“Crude oil output fell by 12.1 per cent”

And we know why. That had to do with Petrotrin.

So, Mr. Vice-President, when we look at refining activity declining by 17 per cent and so on, we see that the economy—all the noises they make about Heritage and Paria and so on, it is to distract us from the reality, that they have failed. They have failed the energy sector in this country. This Government has collapsed the energy sector in this country. You have crude oil production declining significantly and there is nothing positive in sight.

Now, there is a very disturbing statistic here and it reminds me of the stories you are seeing in the newspaper, Mr. Vice-President, with women going to groceries and shoplifting basic food items. But, of course, what do you expect, after you take away 18,000 food cards from families and, of course, we have lost over 50,000 jobs in this country? This Government has forced the population to starvation.

When you look at the statistics here it says that:

“...lower sales in major retail categories such as supermarkets and groceries

(5.5 per cent)...”

So even the statistics are bearing what we know to be a fact, that the people simply cannot afford to buy food.

And when one turns to the labour market, I saw the Minister of Labour in some forum in south, shamelessly in Siparia, after closing down Petrotrin—cancelling thousands of jobs down there, because it was not just persons working in the oil sector. They also created jobs within the communities, which the Minister would have known as a former head of PSA—after closing down Petrotrin, losing so many jobs, going down there to say, “Thank the Government for adding jobs to the economy.” Shameless. Even by this statistic, you have 8,500 persons, this year alone, Mr. Vice-President, leaving the labour force. That means that they are not even interested in looking for work, because there is no work to be found, and when you look at job advertisements, it is declining by 10 per cent, just from last year to this year. And then the big one. Total public sector debt growing by \$8 billion—from 95 to \$103 billion—and a significant part of that increase, Mr. Vice-President, is from Treasury bills which are supposed to be debt for sterilization purposes, not long-term debt. So this Government is hiding long-term debt in the figure for Treasury bills.

So, Mr. Vice-President, when we look at this Bill here, even when it should have been a good measure, we have some challenges because, of course, the people of Trinidad and Tobago have come to a realization that this is a Government that simply has its priority skewed. Their priority is not on the people of Trinidad and Tobago. Their priority is not on planning. Imagine the shock and the awe of losing an election. Mr. Vice-President, that shock has been so great to have the Minister of agriculture to come here as Leader of Government Business to say that we, on this side, do not have a plan. Can you imagine that?

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

Sen. T. Obika: Thank you, Mr. Vice-President. So, I want to go to two elements of our plan: the creative industry, strengthening our national identity. Because unlike the “shoutings” and the “rantings” of the Minister of agriculture today, we in the UNC take time and plan. [*Crosstalk and laughter*] And, Mr. Vice-President, the only time that we get aggressive is when we realize that the people of Trinidad and Tobago are being taken for a ride by this Government, taken for a ride.

So, Mr. Vice-President, creative industries. When we get into Government in some nine short months [*Desk thumping*] unless of course, they are minded to call the election early and put themselves out of their collective misery, when we come to Government in nine short months, the people of Trinidad and Tobago will benefit from a steel pan factory, not the one that the Member of Parliament for Laventille West thinks is sufficient, because Pan Land cannot even supply the pan in schools programme. They could be adequately resourced, but not in their current location and current size and capacity. So we are going to build out steel pan manufacturing in this country, and I speak also as a pan man myself. I am a baseman. I know you would not expect anything less.

Sen. Baptiste-Primus: Like Shadow.

Sen. T. Obika: Baseman. Well, for the PNM is the baseman from hell, but for the people of Trinidad and Tobago, I am the baseman. So, Mr. Vice-President, we are going to create a creative art street, a Carnival in a box franchise. Now, of course, after the PNM has disenfranchised and created mass unemployment, we need to have quick low-hanging fruit opportunities for persons to get jobs and this is one such sector.

Now, Mr. Vice-President, this Government is so short on skilled persons, so

short on implementers, that they had to come and borrow our Minister of National Security. They had to come and borrow our Minister of Culture. They even try to borrow our slogans tonight talking about talk but, of course, the people of Trinidad and Tobago would not be fooled because you see, we understand that the PNM talks a good talk, but talk done. The time for talk is done. [*Desk thumping*]

Now, so I want to say for the people of Trinidad and Tobago, if you are watching your television and you are closing your fridge door, and you did not hear, when the United National Congress returns to Government, we will reopen the refinery for the people of Trinidad and Tobago, the people in south Trinidad and, of course, the oil workers. When we return to Government, Mr. Vice-President, for all the young people listening and watching on YouTube, we will give every single child, as a right, as an entitlement, entering secondary school, a laptop computer. [*Desk thumping*] Every child without fail. The only thing you might do is go better and give them a tablet. Of course, Mr. Vice-President, we will reopen the GATE Programme.

This Government talks about tourism and Sandals, but they close down access to tourism education. We will reopen the GATE Programme so that ever persons in their 50s, the silver economy—our persons who want to contribute to their country who want to improve their qualification status after having given their lives to Trinidad and Tobago—we will reopen the GATE Programme and give them access because we are a Government for the people.

Now, Mr. Vice-President, I know it is hard for the PNM after losing in Siparia, after losing in Grande, but it is clear the people are ready for change. They are ready for the United National Congress and try as they like, the next election and next year this time, we will be on that side and they will be on this side. I thank you. [*Desk thumping and laughter*]

The Minister of Public Administration and Minister in the Ministry of Finance (Sen. The Hon. Allyson West): Thank you, Mr. Vice-President. [*Laughter*] Mr. Vice-President, during long stretches of this debate, I was trying to remember whether it was a finance debate or a political platform. I would try to stick with the issues that are actually before us. So I would try to address and give responses to the questions that were raised, the comments that were made, starting with the incentives in respect of the energy sector. Sen. Mark in typical style condemned the 5 per cent credit for the SPTs. He said it was too miniscule and it will have no effect on exploration activity. He also condemned the readjustment of the capital allowance programme in the energy sector, saying that we are reversing the UNC initiatives—which we would admit we did deliberately—and it will make Trinidad and Tobago less effective.

I want to remind the people of Trinidad and Tobago that the reason why we reversed or we are seeking to reverse the incentives given to the energy sector is that while it encouraged activity in the energy sector, it produced no return for Trinidad and Tobago. We have a wasting asset, a valuable asset, unless the people of Trinidad and Tobago get value now for this asset, what is the point of giving all of these incentives. It makes no sense to leave the asset on the ground.

So, as we had said, ad infinitum, we had discussions with the energy sector to come to an understanding of how we should move forward in a way that they can benefit and we can benefit—the people of Trinidad and Tobago that is—and we came to a position where everybody accepts that the 20 per cent on a straight line basis makes sense for everybody. Having come to those determinations, the energy sector immediately said we are going to continue investment. They have committed to contributing to investing US \$10 billion within the next five years. I do not see how in those circumstances we can say with a straight face that we are

chasing away the energy sector and we are making Trinidad and Tobago less attractive. What we are doing is trying to ensure that the people of Trinidad and Tobago benefit from its resource.

Sen. Deonarine, in respect of the energy sector, raised the issue of transfer pricing and wondered when we were going to address it. What we decided to do in transfer pricing, which is something that we have been looking at, is start with the impact on the energy sector because that is the sector that would have the most impact on Trinidad and Tobago in terms of income return. We had discussions with the energy sector to address the leakages that had been identified in the way the energy sector was operating.

Now, what would happen is that when Atlantic LNG produced liquefied natural gas, it was sold to members essentially of the energy sector and they would take it and sell it wherever. What would happen, because they operate a global conglomerate, is that they would sell it to a place where the price of energy is low—so, say for example, the States—in the initial stage and report to Trinidad the profits made on that sale, but thereafter they would turnaround and sell it to a place where the price of gas was high and, of course, Trinidad did not feature in that transaction and we lost revenue because of that.

8.45 p.m.

So what we have agreed with them—we have agreed two things with them. One, Trinidad and Tobago will sell its own gas share as opposed to having somebody else sell it for us and, two, we would come up with a price for the gas based on a mixed basket. So we get a reasonable average of the prices of gas available and that way the energy company gets some benefit but Trinidad increases the benefit that it gets. So that is how we are dealing with transfer pricing in the initial stage in respect of the energy sector, and we will in the

not-too-distant future come with legislation to deal with transfer pricing in a more global basis.

Treasury bills: Sen. Mark said that in increasing the Minister's ability to borrow under the Treasury bill legislation we would crowd out the public sector. Now, you would recall they said the same thing when we offered the NIF, that we would absorb all the liquidity in the industry and nobody else would be able to borrow. That did not happen. The NIF was oversubscribed and still there is ability to borrow in the market, so I put no credence on that comment from Sen. Mark. He said it would create an increase in the rate of interest; again, that is tied to whether or not the market becomes illiquid, and since we do not accept that the market will become illiquid we do not accept that there will be an increase in the interest rate as a result of the Minister's ability to borrow more on a short-term basis via the Treasury bill mechanism.

He said too that we had no clue on how to make the economy work and this took me back to a calypso that was sung around 2002 by calypsonian "Bally", Ballantyne. It actually took him to the Young Kings. He got the crown for Young Kings in that year and I think the calypso is very, very clever. The chorus says, "Jump high, jump low, shake your manifesto; ramajay, come leh we ramajay", and I remember that on the 11th of October, 2019, the Leader of the Opposition went to the other place, she jumped high, she jumped low, she shook her manifesto and she "ramajayed", and in the middle of all of that her solutions to fixing the economy of Trinidad and Tobago were increased interest rates, which of course all of a sudden Sen. Mark is concerned about, and devalue the dollar. That is the plan, the main elements of the plan for the UNC, and as I indicated previously the plan for the UNC for the economy changes every other week. But on the last occasion that the leader spoke, her plan was to increase interest rates and devalue the dollar. I do

not think that would provide comfort to anybody in Trinidad and Tobago if that is the plan of the other side.

The status of the overdrafts: Sen. Deonarine raised the issue of whether we were seeking to increase the borrowing limit under the Treasury bill mechanism because we had maxed out the overdraft, and I will say to you that is not in fact the case. The overdraft is, I was advised, by the end of the week will be in the region of 80 per cent. So there is quite a lot of capacity, but as I indicated to you in my initial presentation, the rate of interest on the overdraft is 5 per cent; the rate of interest on Treasury bill is around two or below. We acknowledge that our cost of borrowing is significant. Interest represents a significant part of the overall budget and what we are trying to do is manage and reduce that. So in going for Treasury bills rather than borrowing from the overdraft, or as Sen. Obika advised, shift changing short-term borrowing into long-term borrowing on the open market, we will reduce the price of interest. Now, the main reason why we need the short-term borrowing facility is that it is for cash flow management.

For example, in the first three months of the fiscal year there is very little income flowing into the Government. Between the end of September when we get the last quarterly instalment and December where we get the first there is very little money coming to the Government. We still have salaries to pay, we have bills to meet and so the Minister of Finance needs the leeway to be able to put his hands on cash easily and quickly and cheaply to cover his bills while he waits on the inflows to start. And with the intention being that as the inflows start we will clear off at least some of the short-term facility. So that is the reason why we are trying to give him more flexibility, especially having regard to the fairly significant difference between the rates of interest at which he can borrow.

The promotional allowance: I want to respond to a comment made by Sen.

Deonarine that while she supports the promotional allowance she is concerned that it should not be a long-term measure because it is protectionist and it will make the manufacturers and other people who benefit from the allowance more inefficient because they are getting a tax support. But what I would like to draw to Sen. Deonarine's attention is that a manufacturer, for example, can only continue to benefit from the promotional allowance year after year if that entity or that person keeps increasing the level of their exports. So you have to have incremental increases and/or you have to move to new markets. So it is not that you move into a market, benefit from the promotional allowance year after year and you just do not have to do anything more, you sell the same number of whatever it is, soft drinks or chocolates, or whatever it is. You have to keep increasing the size of your market which would mean generating more foreign exchange, and it is only on that basis that you get the promotional allowance.

Another thing is the promotional allowance applies only in respect of very specific expenses. The bulk of the expenses that contribute to the efficiency or inefficiency of an operation are not featured in the list of allowances to which attracts the promotional allowance. So the cost of labour, the efficiency of how you operate your business, the cost of rent, plant and machinery, how you keep that efficient, all of these things do not go towards giving you a benefit under the promotional allowance provision. So that I do not think that in this particular case maintaining the allowance over a period would cause the manufacturer or whoever to become more inefficient because he will have to maintain his level of efficiency or improve the level of efficiency to keep expanding his market, and it is only when he continues to expand his market that he continues to be entitled to the benefit.

Cooperative society: There were two essential comments made, one by Sen.

Sobers, one by Sen. Thompson-Ahye. Sen. Sobers talked about the fact that the benefit is open to abuse and he gave a clear example of circumstances where he saw that happen. Sen. Thompson-Ahye, on the other hand, indicated that we should remove the limit altogether. I am not objecting to either comment, I think both have merits, but I would say, one, that the abuse that may or may not arise under the legislation as currently drafted arises from the way the provision is actually administered by the cooperatives and not a defect of the legislation. So we have to ensure that the cooperatives administer the legislation more robustly, which leads me to Sen. Thompson-Ahye's comment in that we should remove the incentive, and I do not think that is an issue that we have dismissed. It is just that we recognize, in discussions with the credit union, that it is necessary to regulate this thing that I call a sleeping giant in Trinidad and Tobago. The Credit Union Movement is a massive movement. It controls a significant amount of assets and at the moment regulation of that industry is relatively non-existent. So we have discussed with the movement creating a regulatory framework which is more robust for the purpose of protecting the membership, and in that kind of atmosphere I can see us reverting to a discussion as to how we treat with this death benefit.

A correction to a couple of comments made by Sen. Deyalsingh in respect of the art and culture allowance. Sen. Deyalsingh expressed concern that because the Ministry supposedly has a part to play in respect of the promotion allowance that opens the door for abuse. But I want to dispel that because if you look at the legislation it says that somebody who makes a contribution to, in respect of art, for example, can get the allowance if the person who benefits is a national of Trinidad and Tobago and that person is registered with the Ministry of Community Development, Culture and the Arts; that is all. The Ministry of Community

Development, Culture and the Arts does not have to approve the nature of the art or performing art or visual art. It does not have to assess the value of it or anything of the sort. All it has to do is acknowledge that this artist is registered with the Ministry. So that, in my view, in those circumstances there is no room for mischief by the public servants. In respect of sport, the allowance in respect of sport, again, you qualify if the sportsman who you are sponsoring is a national and if he is involved in a listed sport. The only involvement of the Ministry of Sport and Youth Affairs is that the Minister has the power under the legislation to add or subtract from the list of sports in respect of which you can get the allowance. In those circumstances I do not see avenue for mischief so I would like to dispel that concern.

So moving on to Sen. Obika's very colourful contribution, he said, to start with, that he did not dispute Sen. Rambharat's claim that there was corruption involved in the building of the highway under the last administration, but what he tried to say is that there is also corruption in this administration because we are not borrowing and that could not be further from the truth. Now, we will acknowledge that we did not have to borrow at the start, because I will remind you that my colleague from the Ministry of Works and Transport and others have said to this House that one of the first things we did when we came into this administration was to seek to recover the money under the bond that the UNC sought to deprive this country of by removing the clause from the contract. So there was a contract between the contractor and the Ministry which said that in the event that the contractor became bankrupt the contractor would have to pay the Ministry an amount under this bond. The night before the election that clause was removed from the contract.

Hon. Senator: The night before.

Sen. The Hon. A. West: The night before the election.

In September 07, 2015, it was removed from the contract. We recovered it, but we did not recover it because the UNC was so astute in their contract negotiations and put that clause in to protect us, we recovered it because we had to go to court in England and fight tooth and nail to get that money back, and the court decided it was improper for the Government to remove that clause and the country was entitled to recover that money and that was how we recovered it. *[Desk thumping]* *[Interruption]* And it is still under arbitration, I am being advised, but they have told us that notwithstanding the fact that it is under arbitration we could go ahead and spend the money. So the Minister took those funds and restarted the highway. What we also did that deferred our need to borrow for the highway was that he said we are not going back and giving this entire huge project to one foreign contractor. We are going to break it up into parts and give it to smaller contractors who will come in at lower than the big contractor came in at and manage the \$952 million that we recovered under the bond. So that is what we did. So when we started we did not have to borrow, but the total cost of finishing the highway is \$3 billion. We only recovered \$952 million and we are not interested in getting involved in any corrupt practices.

So to finance the balance of the highway we borrowed twice under two loans, US \$200 million from CAF, that is the Latin America bank, and \$600 million from ANSA McAl. So anytime Sen. Obika is prepared to dispute those facts he could let me know and we will provide the necessary additional information. So we have borrowed, *[Crosstalk]* we are properly managing the construction, we are tracking, we are seeking to address the issue of having to pay two and three times for the same pieces of land, but that is another matter. So that is how we handle major projects under this administration. Sen. Obika threw out,

“Who borrowed more?”.

I will just lay two sets of facts on the table. In 2010 the borrowing was 29 per cent of GDP, by 2015, and this is after the most significant budgets and flow of income the country has ever seen, reaching up to \$62 billion, by 2014 the borrowing had moved from 29 per cent of GDP to 49 per cent of GDP. That is a 20 per cent jump. [*Crosstalk*]

Sen. Mark: Take into account Clico.

Sen. The Hon. A. West: We have continued to borrow and we have explained on several occasions why we have had to continue to borrow, but we have moved the borrowing from 49 per cent of GDP to 62 per cent of GDP which is a 13 per cent jump. So I will leave you with the question unanswered who borrowed more. [*Crosstalk*] NIF, Sen. Obika said NIF is a failure because we forced NIB to borrow. Now, NIB is a creature that is responsible for paying pensions to hundreds of thousands of people in Trinidad and Tobago. It has a huge long-term liability. It is always looking for assets in which to invest. Any bond issuer, whether it is a private bond issuer or a public bond issuer, when they are seeking to issue bonds considers, “Will NIB be interested in this?”, because it is so significant a player in the market. So one would expect NIB to want to invest in a bond like this because of the attractive nature, because it is tax free, because it gives an excellent return, because it is long-term and matches their long-time liability.

So if Sen. Obika is so convinced that the only reason that NIB invested in NIF was because they were forced to do that by the Government, I would like him to explain to me why all the pension funds managers decided to invest in NIF if it was so unattractive that the only reason why NIB would have invested is because they were forced to do so. So nothing could be further from the truth regarding the success of NIB. Once again I will clarify for the rest of Trinidad and Tobago, the

Government of Trinidad and Tobago did not take away food cards from people. It said to people, “We do not know what happened between 2010 and 2015 with the food cards, come in and reapply if you qualify for a food card.” In that exercise 18,000 people failed to reapply for a food card; that to me says a lot. So we did not take away. Everybody who applied for and qualified for a food card got a food card and is now getting relief from the Government of Trinidad and Tobago, and we are supporting the most vulnerable in society. We continue to do that.

So, Mr. Vice-President, as I would have indicated during my presentation the provisions of the Bill before us are, by and large, to legislate for the measures that we addressed in the budget. We are seeking to do several things. We are seeking to increase the borrowing limit under the Treasury Bill Act from \$5 billion to \$7 billion. We are seeking to give the energy sector relief in certain areas to encourage, on the one hand, the activity, and on the other, to ensure that we recover more revenue from them, and that would be adjustment of the loss relieve, adjustment of the capital allowance and adjustment of the allowance under the SPT regime. We are seeking to increase the benefits available to companies that contribute to people in the creative and production sectors by increasing the amount of the allowance that they are entitled to from \$3 million where it is now to \$6 million a year where we are seeking to take it.

We are seeking to encourage the increase investment in solar panels by increasing the benefit that households can get in respect of the purchase of solar panels from 25 per cent of the cost to 100 per cent of the cost. And to answer a question that was raised by Sen. Dillon-Remy, it is we are seeking a 10 per cent shift to renewable energy by 2021. There is a measure before, subject to discussion now and decision that will keep us on track to attain that goal, and we will continue to build. Yes, to answer other answer question that you asked, we

are determined to implement, it is not just a piece of paper that we want to put on the shelf. As Sen. Le Hunte would have indicated, the Minister of Public Utilities, we have identified the resource at the parliamentary secretary level who is responsible for that programme alone because we are serious about getting it done. Not only do we have a global commitment but, more importantly, we have a commitment to the people of Trinidad and Tobago to get this done and get this done right.

I believe we are adjusting the death benefit payable under the Co-operative Societies Act, and I would have explained why we are doing this as possibly a step towards a more liberal approach which we will examine at the appropriate time. We are also seeking to amend the regime for the taxation of insurance companies to bring it into alignment with the new insurance regime as introduced in the Insurance Bill of 2018 that should be proclaimed shortly. And in essence those are the provisions that are covered by this relatively brief and fairly straightforward bit of legislation. As I said, we are seeking to keep on track with the commitments that we made in the budget statement. This seeks to do that. I recommend to you that you give it your favourable consideration, I ask for your support. I thank you and I beg to move. [*Desk thumping*]

Question put and agreed to.

Bill accordingly read a second time.

Sen. The Hon. A. West: Thank you, Mr. Vice-President. Mr. Vice-President, in accordance with Standing Order 57(2), I beg to move that the Bill not be committed to a committee of the whole Senate.

Question put and agreed to.

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

Bill accordingly read the third time and passed.

ADJOURNMENT

The Minister of Agriculture, Land and Fisheries (Sen. The Hon. Clarence Rambharat): Mr. Vice-President, I beg to move that this Senate do now adjourn to Friday, December 13, 2019, at 10.00 a.m. On that day, Mr. Vice-President, the Government proposes to debate the Dangerous Drugs (Amdt.) Bill, 2019, which will be considered by the House tomorrow. Mr. Vice-President, just to be clear, there are two Bills related to cannabis which have been laid in the House. The Bill we intend to deal with on Friday, December 13, 2019 is the Dangerous Drugs (Amdt.) Bill, 2019, which is the Bill which seeks to decriminalize the possession of not more than 30 grammes of cannabis or not more than five grammes of cannabis resin. I thank you.

Mr. Vice-President: Hon. Senators, before I put the question on the adjournment leave has been granted for two matters to be raised on the Motion for the adjournment of the Senate. Sen. Mark. [*Desk thumping*]

Ministry of Social Development and Family Services**(Tunapuna Business Operations)**

Sen. Wade Mark: I just want to advise, Mr. Vice-President, that I shall be pursuing only one, that is the one on social services.

Mr. Vice-President, the issue of the need for the Government to restructure business operations at the Tunapuna office of the Ministry of Social Development and Family Services with a view to ensuring more efficient service delivery to customer is of grave importance and significance. We have understaffing at this office. We have a lack of resources. There is an absence of adequate facilities for those who have to access the services of this particular Ministry.

Mr. Vice-President, the process of obtaining one's old-age pension is extremely frustrating and burdensome for many of our citizens. A citizen applies to the

Ministry and submits all his or her relevant documents. Sometimes these citizens when they return are told that their documents have been misplaced. Mr. Vice-President, once you arrive at this office a number is given to you as you seek an audience with the relevant officer. At times there is only one officer assigned to a district.

9.15 p.m.

Mr. Vice-President, this in itself is a nightmare for those pensioners or prospective pensioners. Could you imagine, a situation involving over 70 potential applicants for pension, waiting to be interviewed by one officer, and at times when that process would have begun, lunchtime arrives and with lunchtime arriving the agony is extended for these persons who are seeking to secure their pension as senior citizens.

Mr. Vice-President, it could take up to 14 months before you can actually secure your pension, sometimes even beyond that time. What is even more disturbing is the attitude that is displayed by staffers, which leaves a lot to be so desired. Some of our older citizens and physically challenged ones are sometimes in great difficulty when they are at this particular location.

My information is that there is only one washroom at this office to accommodate both female and male. We have an emergency where there is an absence of soap and toiletries at this very facility. With so many chronic diseases floating around, we understand the danger that such an environment can pose to our citizens who are seeking to access their pension.

The question that I am posing to the Government this evening is: Why does this process have to be so long, especially for our senior citizens and those who seem to be suffering from physical disabilities? The entire system needs to be revamped, needs to be revised and comprehensively reviewed.

Mr. Vice-President, my information reveals that one of the requirements needed for processing one's application is to secure one's overseas travel records from the Immigration Department. This requirement places on the shoulder of the applicant to access information from the Immigration Department for the last 20 years. This is a very primitive system, and as I said it needs to be reviewed and revisited. We need to have a more modern, technologically advanced operation at these outlets or these offices. Therefore, I am calling on the Government this evening to deal with this issue.

I would also like the Government to indicate what is the time frame it takes for the board to make a decision on an application, because it seems it varies and it is all over the place. There are no standards or set protocols in this regard, and it therefore takes an inordinately long period of time for decisions to be taken by these boards that are responsible for final action on applications.

Mr. Vice-President, citizens are called upon, senior citizens are called upon to sit at these offices for long, long hours, and they do not get the kind of love, attention and courtesy from the staffers. It is against this background I am saying that we need to pay attention to what is happening. Would you believe that our parents who have turned 65, they are being called to line up in the morning outside of social services offices as early as 5.00a.m., simply to await the opening of these offices to secure a number so that they can be first in line. This cannot be proper and it cannot be fair and acceptable in a society that has a respect for the elderly and has a respect for human rights and fundamental freedom.

Thank you very much, Mr. Vice-President.

The Minister of Labour and Small Enterprise Development (Sen. The Hon. Jennifer Baptiste-Primus): Thank you very much, Mr. Vice-President. I rise to respond to the appeal of my senatorial colleague, and wish to place the following

statement on the records.

Within recent years the Ministry of Social Development and Family Services has undergone significant changes in organizational structure and mandate. It is recognized that the core function of the Ministry is to protect and care for the needs of the vulnerable among us. Accordingly, the Ministry has spent considerable effort examining the social services delivery system to ensure that it is, among other things, relevant, efficient and client friendly.

The Ministry is aware that an area of concern is the quality of customer service provided to its clients. Consequently the issue of improving customer service is a priority in the strategic plan, which is aligned to *Vision 2030* development plan and its focus on a modern, effective and efficient public service.

Mr. Vice-President, in 2018 the Ministry embarked on a transformation initiative through two critical institutional strengthening projects. One, the restructuring of the Ministry as agreed to by Cabinet and, two, a diagnostic assessment and service improvement project for the Social Welfare Division. Both projects are being undertaken in collaboration with the Ministry of Public Administration. Whilst the first project is Ministry-focused, the second is related solely to the Social Welfare Division and will entail the following:

1. An in-depth diagnostic assessment on the operations of the division;
2. Development and implementation of a comprehensive integrated service improvement plan based on the results of the assessment;
3. Development and implementation of a comprehensive change management and communications plan for the transformation of the Social Welfare Division; and
4. Evaluation of the impact of the project on the division's operation.

In addition to the following business process mapping, current, interim and future state process maps, establishment of performance standards, business process management, policy formulation, updates, including legislative reviews, automation of processes and development of service standards and charter, it is expected that significant elements of the project will be completed by January 2020, and will reflect greater effectiveness and efficiency in the operations of the Social Welfare Division.

Mr. Vice-President, prior to the diagnostic assessment, the Ministry identified areas for improvement and has already taken steps to, or implemented the following in an effort to resolve some of the concerns raised by my senatorial colleague, and also to address some of the challenges in the division.

One, staffing: The Ministry is working with the Service Commissions Department with a view to implementing an interim solution to filling of vacancies and staff shortages throughout the division. Eighteen intake officers were assigned to the various social welfare offices from September 2019. The intake officers have responsibility for the assessment and eventual intake of applications from all new persons visiting the offices. Such persons will no longer have to wait in line, Sen. Mark—will no longer have to wait in line with persons who are already receiving services. It is expected that the wait time for such persons will be significantly reduced. This initiative will also allow field officers more time to focus on their core functions.

A total of 33 new staff members, including the 18 intake officers, were exposed to a comprehensive orientation session in October 2019, to ensure that they are adequately equipped to service the clients of the division. The training included a customer service component.

In seeking to ensure the Ministry's staff are knowledgeable and possess the appropriate skills and attitudes, a series of training and retraining sessions on its products, services and customer care were conducted in 2018 and involved staff at all levels. Another round of training will commence in the first quarter of fiscal 2020.

Operational improvements: Introduction of a standard means test in March 2018 as the mechanism for determining an individual or household eligibility for certain grants. This has made targeting more effective. The Ministry engaged ECLAC to conduct a review of the SMT, that is, the standard means test, to determine its suitability or robustness as a targeting mechanism in identifying poor and vulnerable households. A report has been prepared and reviewed by Ministry officials, and relevant recommendations will be implemented to improve the standard means test in the first quarter of fiscal 2020.

Development and introduction of a single intake form that can be utilized for grants. Expansion of the direct deposit system to include persons in receipt of the public assistance grant and disability assistance grant. This will ensure that clients are not inconvenienced by postal delay or theft. As of September 2019, 79,996 grant recipients had been transitioned to the direct deposit method of payment.

Operationalization of the MOU signed with the Registrar General Department in 2018, allows the Ministry of Social Development and Family Services to have updated information on deaths and to remove deceased recipients on a timely basis. The Ministry is also finalizing a similar MOU with the Immigration Department, which will result in eventual removal of the existing life certificate system.

Implementation of the recently signed MOU with iGovTT is expected to

commence in January 2020, and will expand the number of service locations where the Ministry's services will be available. Additionally, an MOU signed with the NIBTT will provide access to sharing of information from January 2020, and will allow for faster processing of applications.

Roll out of social services client management system: This will support the aforementioned MOUs as well as automate a number of paper-based processes currently being used by the division. This is an interim solution pending implementation of an integrated IT system known as "ISEMS" that iGovTT has been engaged to procure and manage. ISEMS will allow the linking of clients to case management records, effective management of the grant portfolio and the monitoring, evaluation and auditing of programmers.

The Ministry implemented an application management system from October 2019, which includes acknowledgement of receipt of application, confirmation of documents received and advice on documents outstanding for the processing of applications. The Ministry has increased and will continue to provide community outreach programmes and public information, education and sensitization, known as "PIES" sessions throughout Trinidad and Tobago.

With effect from November 2019, the Ministry commenced the process of providing customer feedback forms which will provide the customer with the opportunity to evaluate the service received.

Finally, it is anticipated that the foregoing measures will redound to improvements in customer service delivery in medium to long-term in the Ministry of Social Development and Family Services.

Mr. Vice-President, I thank you for presenting me with an opportunity to lay this statement on behalf of the Minister of Social Development and Family

Ministry of Social Development
& Family Services
Sen. The Hon. J. Baptiste Primus (cont'd)

2019.12.10

Services, the Hon. Cherrie-Ann Crichlow-Cockburn.

Thank you, Mr. Vice-President.

Question put and agreed to.

Senate adjourned accordingly.

Adjourned at 9.31 p.m.