

**SENATE**

*Tuesday, January 28, 2020*

The Senate met at 1.30 p.m.

**PRAYERS**

[MADAM PRESIDENT *in the Chair*]

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

Bill to vary the appropriation of the sum the issue of which was authorised by the Appropriation (Financial Year 2019) Bill, 2020, brought from the House of Representatives [*The Minister in the Ministry of Finance*]; read the first time.

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

*Question put and agreed to.*

**PAPERS LAID**

1. Annual Audited Financial Statements of the Trinidad and Tobago Tourism Business Development Limited for the financial year ended December 31, 2018. [*The Minister of Public Administration and Minister in the Ministry of Finance (Sen. The Hon. Allyson West)*]
2. Annual Audited Financial Statements of the National Maintenance Training and Security Company Limited for the financial year ended December 31, 2018. [*Sen. The Hon. A. West*]
3. Annual Audited Financial Statements of the Rural Development Company of Trinidad and Tobago Limited for the financial year ended September 30, 2018. [*Sen. The Hon. A. West*]

4. Annual Audited Financial Statements of the Trinidad and Tobago Solid Waste Management Company Limited for the financial year ended September 30, 2017. [*Sen. The Hon. A. West*]
5. Annual Report of Trinidad and Tobago International Financial Centre Management Company Limited for the financial year ended September 30, 2019. [*Sen. The Hon. A. West*]
6. Annual Report and Audited Financial Statements of the Trinidad and Tobago Heritage and Stabilisation Fund for the year ended September 30, 2019. [*Sen. The Hon. A. West*)]
7. Annual Audited Consolidated Financial Statements of Trinidad and Tobago Creative Industries Company Limited for the financial year ended September 30, 2017. [*Sen. The Hon. A. West*)]
8. Annual Audited Consolidated Financial Statements of Trinidad and Tobago Creative Industries Company Limited for the financial year ended September 30, 2018. [*Sen. The Hon. A. West*]
9. Annual Administrative Report of the Trinidad and Tobago Civil Aviation Authority for the financial year ended September 30, 2019. [*The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan)*]
10. Response of the Trinidad and Tobago Police Service to the Seventh Report of the Joint Select Committee on Finance and Legal Affairs on an Inquiry into the wider application of non-custodial penalties in the Criminal Justice System of Trinidad and Tobago. [*The Minister of Agriculture, Land and Fisheries (Sen. The Hon. Clarence Rambharat)*]
11. Ministerial Response of the Ministry of Education to the Twelfth Report of the Joint Select Committee on Social Services and Public Administration on an examination of the current level of childhood obesity and the State's

- interventions to promote a healthy lifestyle among children. [*Sen. The Hon. C. Rambharat*]
12. Ministerial Response of the Ministry of Sport and Youth Affairs to the Twelfth Report of the Joint Select Committee on Social Services and Public Administration on an examination of the current level of childhood obesity and the State's interventions to promote a healthy lifestyle among children. [*Sen. The Hon. C. Rambharat*]
  13. Ministerial Response of the Ministry of Social Development and Family Services to the Eleventh Report of the Joint Select Committee on Social Services and Public Administration on a Follow-up Inquiry into the Effectiveness of the State's Interventions directed at Socially Displaced Persons. [*Sen. The Hon. C. Rambharat*]
  14. Ministerial Response of the Ministry of Health to the Eleventh Report of the Joint Select Committee on Social Services and Public Administration on a Follow-up Inquiry into the Effectiveness of the State's Interventions directed at Socially Displaced Persons. [*Sen. The Hon. C. Rambharat*)]
  15. Ministerial Response of the Ministry of Health to the Twelfth Report of the Joint Select Committee Social Services and Public Administration on an examination of the current level of childhood obesity and the State's interventions to promote a healthy lifestyle among children. [*Sen. The Hon. C. Rambharat*]
  16. Response of the Tobago House of Assembly to the Thirteenth Report of the Joint Select Committee on Local Authorities, Service Commissions and Statutory Authorities (including the THA) on an Inquiry into the Efficiency and Effectiveness of the National Emergency Ambulance Service. [*Sen. The Hon. C. Rambharat*]

### ARRANGEMENT OF BUSINESS

**The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan):** Thank you very much, Madam President. Madam President, I crave your indulgence, if you can kindly stand down Question 1 to later in the proceedings. The Minister of National Security will be joining us later and obviously, we will be answering Questions 2 and 3.

**Madam President:** So Question No. 1 is stood down. Sen. Mark.

### URGENT QUESTIONS

#### Coronavirus

#### (Safeguarding Measures)

**Sen. Wade Mark:** Thank you very much, Madam President. To the hon. Minister of Health: Can the Minister advise as to what specific measures are being put in place at the country's two international airports to safeguard the public from the outbreak of the Coronavirus in light of the Carnival season?

**The Minister of Health (Hon. Terrence Deyalsingh):** Thank you very much, Madam President. And I want to thank Sen. Mark for this very important and timely question. The Government of the Republic of Trinidad and Tobago recognizes that the threat of coronavirus to Trinidad and Tobago, whilst remote, needs to be treated with the utmost urgency and care. To that end, we instituted the following procedures last week at the Piarco International Airport, even though it was not recommended by either PAHO or WHO.

One, thermal screening for all flights coming in from major ports where we believe people from China could be connecting. That is flights coming in from North America, Panama and the United Kingdom. To date, 194 flights have been screened, a total of 14,380 passengers and crew. That is one measure. You also have fixed screening, fixed thermal screening at both ends of airport, the western

end and the eastern end. So handheld fixed. We have also put up in the arrival hall on the billboard, on the electric billboards, messages alerting people that if they are coming from certain parts of the world and they develop a fever which may be suspect of coronavirus, as to what to do.

We also have our standard operating procedures at Port Health, both at Piarco and at the ANR Robinson Airport, how to treat with people who present with a fever, that is a body temperature above 37.2 degrees. So there are clear protocols how to treat with that.

May I also say that we as a country, in recognizing how serious this issue is, we have to balance between panic and caution because the last thing you want is a panicked population. The chances of coronavirus reaching Trinidad and Tobago, whilst remote, needs to be treated seriously and we are doing just that. Thank you, Madam President.

**Sen. Mark:** Thank you, Madam President. Can I ask the hon. Minister how many fixed thermal screening apparatus are available at our airports at this time, both Scarborough and the Piarco?

**Hon. T. Deyalsingh:** Thank you for that question. In the case of Piarco International Airport, you would appreciate there are two major wings. The western wing and the eastern wing. So there is one fixed that can scan in groups. But when people come off the aircraft they are also individually scanned. So they go through two scanners. However, I must reiterate that right now international passengers from China are also scanned in China, when they are leaving China, they are also screened at the airport that they are getting there connecting flights from. So like JFK or here, on the west coast of the United States, Seattle. So they there are multilayers of thermal screening being done for passengers originating from China. We are just the last screening when they arrive in Trinidad and

Tobago. However, I must state, and I have said it publicly, screening is not a foolproof method. Because you could be asymptomatic, that is showing no signs of fever. So an alert and educated public is the last line of defense that is why I am so happy for this opportunity today, Madam Speaker, to speak to the public through the very excellent question posed by Sen. Mark. I thank you.

**Sen. Mark:** Sorry, Ma'am. The hon. Madam President, may I ask the hon. Minister whether there exists at the two international airports any quarantine mechanism? So in the event that that is discovered that is the virus, persons can be quarantined at those major entry ports or points of entry into T&T. Can you share with us?

**Hon. T. Deyalsingh:** Thank you very much. And that is the subject of the next question. So I could take it at Question No. 3 or do you want me to take it now?

**Sen. Mark:** No, I want you to answer both—[*Inaudible*] just two airports, Piarco and Scarborough—is separate from that second question.

**Hon. T. Deyalsingh:** So at the airports you do not quarantine people. There is a difference between isolation and quarantine. So at the port what we will do is isolate if you have a suspected case. So yes, both international airports have isolation capacities for suspected case. If in the view of the clinician or port health, that case is highly suspect of coronavirus, then you will be taken to a quarantine facility. So to answer your question, both international airports have isolation capacity for suspected cases. That is a fever above 37.2 with a possible recent travel history to China, you will be isolated. And then clinically you will be assessed and if you need to be quarantine, you will be quarantined in a special medical facility. We do not quarantine in an airport. You isolate in an airport and quarantine in a medical facility. Thank you very much, Madam President.

### **Coronavirus Outbreak**

**(Steps for Screening/Quarantine at Ports)**

**Sen. Sean Sobers:** Thank you, Madam President. To the Minister of Health: Pursuant to the recent outbreak of the Coronavirus, can the Minister advise as to the urgent steps being taken for screening and quarantine at the Point Lisas, Chaguaramas, King's Wharf and Cedros Ports?

**The Minister of Health (Hon. Terrence Deyalsingh):** Thank you very much, Madam President. The same similar protocols applied with thermal screening. So at Point Lisas we have two handheld thermal machines. Chaguaramas and Port of Spain we have between two and three. King's Wharf we have one and Cedros we have one. Now the major point of concern is not Point Lisas, King's Wharf or Cedros or Chaguaramas, it is the Port of Port of Spain because that is where the cruise liners come in. What we have done, the captains of cruise liners have to fill out a declaration and if they fill it out incorrectly or be untruthful, it is a criminal offence and they can be jailed. So they are to report any fevers, any other illness. We have been in contact with the local agents of all the cruise liners and what is happening now, the originating port of cruise ships coming into the Trinidad is typically Miami or Puerto Rico and the pre-boarding questionnaire to be applied to all cruise passengers coming down into the Caribbean and ending up in Trinidad, that has been ramped up. So you get a first initial pre-boarding screening there where you have to answer questions. And that is how we are managing, especially Port of Port of Spain. But the chances of coronavirus coming in through a cruise ship is even more remote.

You have to pay attention to aircraft, flights originating with passengers originating their journey from China. Most of the cruises coming into Trinidad and Tobago would not typically have people who started their journey in China.

**1.45 p.m.**

So we are allocating resources where they will have the most effect and we are comfortable that as of now we are doing all we can to manage this issue. Thank you very much.

**Sen. Sobers:** Can the Minister also indicate what measures or steps are being put in place to protect the individuals who will come in contact with persons, like screening, so immigration officials, customs, et cetera?

**Hon. T. Deyalsingh:** So, you also have to pay attention to your health care workers. So I was in the airport last week, we have made sure that all persons who may come in contact with people via screening, have the necessary PPE, Personal Protective Equipment (PPE). What is most important is the type of mask that we use. You use something called an N95 mask. What does that mean? It is a particular type of mask, 95 means it traps 95 per cent of all pathogens under three microns in diameter, which is where most viruses were like, that size.

So an N95 mask which is the standard operating procedure for this type of outbreak, it is an N95 mask, we have more than enough and we have ordered more. So all health care workers who have to treat, either a suspect case, a highly suspect case will be provided with full gowns, head equipment, footwear, goggles and N95 masks. And they are distributed throughout the RHAs and through the offices of the County Medical Officers of Health. Thank you very much, Madam President.

**Madam President:** Hon. Senators, the time for urgent questions has expired. It means, Leader of Government Business, Sen. Mark, that the Minister of National Security, there is no need for him to come because the time has expired in answering those two questions that were on the Order Paper.

### ORAL ANSWERS TO QUESTIONS

**The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan):** Thank you very much, Madam President. Madam President, the



Government is pleased to announce that they will be answering Question Nos. 25, 26, 59, 60 and 61. We ask for a deferral of Questions 15 and 27, two weeks.

**Madam President:** Question No. 27 is deferred for two weeks.

**Sen. Mark:** Madam, may I be guided, question 15 can be asked or is that deferred as well?

**Madam President:** Well, there is a certain procedure for Question No. 15 which has already been deferred for two weeks, okay?

**Sen. Mark:** Okay. Thank you. I can go on to Question No. 25?

**Madam President:** Yes.

**Sen. Mark:** Thank you.

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

**Former Deputy Commissioner of Police**

**(Reasons for Sudden Resignation)**

**27.** Can the Minister of National Security provide the reason(s) for the sudden resignation of former Deputy Commissioner of Police Mr. Harold Phillip?

*Question, by leave, deferred.*

**Police Officers without Search Warrants**

**(Specific Conditions)**

**25. Sen. Wade Mark** asked the hon. Attorney General:

Given the Prime Minister's statements that police officers can enter the homes of citizens without the production of search warrants, can the Attorney General indicate the specific conditions that must be fulfilled in order to do so?

**The Attorney General (Hon. Faris Al-Rawi):** [*Desk thumping*] Thank you, Madam President, and it is a wonderful occasion to be here in this Senate, in an

historic sitting, Madam President. Madam President, police officers can enter the homes of citizens without the production of search warrants when they are effecting an arrest. Where the question of effecting an arrest arises an officer may enter premises without a warrant:

- (a) To prevent a murder;
- (b) To arrest an offender who was followed into the premises;
- (c) To prevent the commission of a crime; and
- (d) To follow an offender running away from an officer.

Section 3 of the Criminal Law Act covers arrests without a warrant, in particular section 3(6) says and I quote:

“For the purposes of arresting a person under any power conferred by this section a police officer may enter (if need be, by force) and search any place where that person is or where the police officer, with reasonable cause, suspects him to be.”

**Sen. Mark:** Madam President, through you, can the Attorney General indicate or state in the case of the—in the instant case of what took place at Gulf View some months ago, whether the Attorney General can share with this House the protocol that would have been used under this particular arrangement or policy of search or searching premises. Can the Attorney General share with us what were the protocols in place for such procedures in this particular instance that I refer to? Can you share with this honourable House for clarification?

**Hon. F. Al-Rawi:** Thank you, Madam President. I am able to say now that the Commissioner of Police has addressed this matter in the public domain, that the police action taken in Gulf View was in hot pursuit. That is, where the police are engaged in tracking down an active offence, I am using the term loosely. In that particular instance, it is now a matter of the public record that the police were in

pursuit of persons who were alleged to have kidnapped a person. The triangulation data demonstrated, under the Interception of Communications Act, that the location of the cell phones used for the active communication in demanding the kidnapping ransom originated from that area. It was in those circumstances and with the effort of in fact securing the liberty of someone who was kidnapped, that the police took that action.

I am very pleased to say that as a result of the action by the police, that kidnapped person was in fact recovered successfully and I give full compliment to Trinidad and Tobago the Police Service as well as the SSA for a combined operation response which resulted in securing someone who had been kidnapped and removing them from harm and danger. This was made public in an event which I attended at the Gulf City Community Centre where the Commissioner of Police and I as the Member of Parliament for San Fernando West addressed this issue with the citizens who live in that particular area.

**Sen. Mark:** I too am very happy about your recovering, as you said, the kidnapped victim. But through you, Madam President, can I ask the hon. Attorney General whether there is any policy in existence to address issues surrounding hot pursuits as you have identified. Is there any identifiable policy that the public should be aware of as it relates to hot pursuits? Can you share with us?

**Hon. F. Al-Rawi:** Thank you, Madam President. Of course the population is well informed by virtue of the hard work put down by the Police Complaints Authority, that they stand as a body that can receive reports from the public where there are suspicions of errant police activity or excessive use of force, et cetera.

Secondly, of course there is the remedy in civil law available against the State. In this case the suit is brought against the Attorney General under the state liability legislation and the damages that are caused on the civil side of the

equation can be addressed there.

Thirdly, it is now a matter of public record that the Minister of National Security and the Government is rolling out aggressively, it is actually in operation in certain parts right now, the philosophy of eyes everywhere; the use of CCTV evidence with facial recognition, with number plate recognition, with location recognition. That ties into a very important Bill which is at Special Select Committee in the Senate, that is the Evidence (Amdt.) Bill where we are asking for the introduction of CCTV evidence to better aid in this position. Of course, this is amplified by the work which the Commissioner of Police is rolling out with the use of body cameras on missions where these events happen, including body cameras utilized by the Special Operations Response Team.

There is of course the hotline that the Commissioner of Police has put out, everybody is well aware that he has actually got the last four digits as his name, GARY, and that the Ministry of National Security on a constant basis puts forward information to remind people of their rights. Trinidad and Tobago is a very litigious society. As Attorney General I can tell you that I see a vast amount of litigation at the State concerning police activity and I compliment, in particular, Mr. David West who is the head of the Police Complaints Authority for being in the communities on a constant basis alerting people to their rights and options as it relates to any perceived or potential abuse of the law.

**Sen. Mark:** May I kindly ask the Attorney General whether there is any intention on the part of the Government to, let us say, establish some independent power of review, particularly as it relates to abuse as well as to curb the use of these kinds of draconian powers the police as you know would have in this business of hot pursuit. Is there any intention on the part of the Government to establish some independent power of review in those circumstances? Can you clarify for us?

**Hon. F. Al-Rawi:** Madam President, there can be no greater independent reviewer than the courts of the Republic of Trinidad and Tobago. Our Constitution specifically sets up the independence of the Judiciary. They are properly clothed, (a) in establishment and (b) in independence. This country has had a very successful experience with an independent Judiciary. That is, of course, properly administered and assisted by the Police Complaints Authority. I am very pleased to say that the Attorney General's office and the Ministry of National Security have through memoranda of understanding and coordinated arrangements with the PCA improved their plant and machinery, their people, their processes, allowing them a greater form of cooperative access for the performance of their functions. So the confluence of operation in the Constitution between the Executive, the Legislature, and of course the Judiciary, berthed in the independence of the Judiciary, the plethora of litigation which exists and has now stood as precedent since independence onward demonstrates that our independent review by the courts is going well, that has been sincerely improved by the operations of the Police Complaints Authority as they have been actively supported by this Government in a way that has not happened previously.

### **Water and Sewerage Authority CEO**

#### **(Suspension and Dismissal)**

**26. Sen. Wade Mark** asked the hon. Minister of Public Utilities:

Can the Minister advise as to the circumstances which led to the suspension and subsequent dismissal of the CEO of the Water and Sewerage Authority?

**The Minister of Public Utilities (Sen. The Hon. Robert Le Hunte):** Madam President, the Chief Executive Officer was advised to proceed on leave in order to facilitate an investigation into the payment of allowances on or around October the 10<sup>th</sup>, 2018 outside of his prescribed limit without the approval of the Board of

Commissioners of the Water and Sewerage Authority. The Board of Commissioners after giving full consideration to the matter and on the basis of evidence available to it, including the response and information provided by the CEO concluded inter alia that the CEO breached his fiduciary duty of care and faithful service to the authority in failing to obtain the required approval of the Board of Commissioners.

Further, that the CEO failed to follow due process to ensure that the payment was properly authorized and exceeded his jurisdiction and/or authority in authorizing the payment. In the circumstance and based on loss of trust and confidence in the CEO, his service was terminated. The CEO has subsequently indicated his intention to bring legal proceedings on the matter by issuing a pre-action protocol letter. As such, and so as to preserve the integrity of the process we are being asked to limit our response to the foregoing.

**Sen. Mark:** Madam President, can I ask the hon. Minister to share with this honourable Senate the quantum of allowances that the former CEO would have ministered and disbursed without proper authorization. Can you share with this honourable Senate the quantum of allowances involved?

**Sen. The Hon. R. Le Hunte:** To my recollection, and I do not want to be exactly specific, but it was in the vicinity of about \$2 million.

**Sen. Mark:** Can I also, through you, Madam President, ask the hon. Minister if he can assist this Senate by telling us how many individuals or persons were involved in the distribution or disbursement and benefited therefrom of the sum of \$2 million as identified by your good self. How many individuals—I am not asking for names, the number of persons benefited from this illegal transaction?

**Sen. The Hon. R. Le Hunte:** Madam President, if that question is put to me—I am not in a position today, right now to tell you the amount of people that actually

benefited from it. That information I do not have with me right now. But if posed to me I would be able to provide you with that information.

**Sen. Mark:** Can I ask through you, Madam President, if the Minister can indicate to this Senate what measures or steps have been taken by WASA to recover the \$2 million that would have been illegally distributed and/or disbursed to individuals in Trinidad and Tobago? What steps, what measures have been taken to recover the \$2 million in terms of allowances, Madam President?

**Madam President:** Sen. Mark, I will not allow that question. You have one more if you wish to ask.

**Sen. Mark:** Can I ask through you, Madam President, what steps, measures, have been taken to put in place certain protocols that would prevent any future CEO from repeating the errors of the former CEO so that we can prevent public funds from being illegally disbursed as was done in this instance?

**Sen. The Hon. R. Le Hunte:** Madam President, we have, as I said, the essence as I outlined in my response centered around the disbursement of funds without the required approvals. And those systems have now been tightened up at WASA to ensure that individuals are made aware of their limits which they were but to ensure that they do, and again that everyone is made aware of the limits that they have and to again reiterate that when you have a limit, that there are certain things that require escalation. It is not that whether it is illegal or not, whether or not you have certain lines of authority and there are certain procedures and in running an organization you have to ensure that individuals act within the prescribed limits of authority. Otherwise you leave it open for a lot of things to happen, and we have ensured that the existing management are aware of their limits and they understand the consequences associated with not keeping things within their prescribed limits.

**eTeck Park, Point Fortin**

**(Challenges Identified)**

**59. Sen. Taharqa Obika** asked the hon. Minister of Trade and Industry:

With regard to the operationalization of plots at the eTeck Park, Point Fortin, can the Minister indicate what challenges, if any, have been identified by tenants?

**The Minister of Trade and Industry (Sen. The Hon. Paula Gopee-Scoon):**

Thank you very much, Madam President. The Point Fortin Industrial Park is managed by Evolving TecKnologies and Enterprise Development Company Limited, eTeck and was opened on November 23, 2015. The Park covers approximately 40 acres and comprises 12 lots for leasing. During the period September to November 2015, 11 tenants were provided with lease agreements. With 10 tenants occupying one lot each and one tenant occupying two lots. The early operationalization of the lots remained a challenge for the tenants due to the delays in receiving both the memoranda of lease and the certificates of title. The memoranda of lease could not have been executed by eTeck and registered with the Land Registry as final regulatory approvals for the lots were not received from the Point Fortin Regional Corporation. ETeck received regulatory approvals on May 31, 2017, and subsequently began the process of contacting and executing the leases with these tenants.

Seven leases were executed by the end of 2017 and were sent for registration at the Land Registry. The challenges experienced by these tenants included delays with the Land Registry Department as there were several queries during the registration process. Notwithstanding this challenge all seven tenants were subsequently provided with their certificates of title in April 2019.

With respect to the other four tenants, two have executed their leases and are awaiting certificates of title. Of the other two remaining tenants, one has not



executed their lease, while the other requires to have the stamp duty paid to complete the registration process. Once the leases has been executed the full operationalization of the lots is dependent on the tenant. Thank you.

**Sen. Obika:** Thank you, Madam President. Can the hon. Minister indicate after having the certificate of title, if the Ministry has received any correspondence on the businessmen in terms of their ability to now make the plots commercially viable?

**Sen. The Hon. P. Gopee-Scoon:** I am sorry, but with regard to other information from the tenants I cannot speak to that now. I would have to get that information from eTeck.

**Sen. Obika:** Thank you, Madam President. Can the hon. Minister give an undertaking to provide that information to the Senate?

**Sen. The Hon. P. Gopee-Scoon:** Yes, I can.

**Sen. S. Hosein:** Thank you very much, Madam President. Madam President, may I ask the Minister whether or not that one tenant that the Minister indicated who had difficulty with respect to the payment of stamp duty, whether any concession or agreement can be entered so that they can occupy the land pending the payment of stamp duty.

**Sen. The Hon. P. Gopee-Scoon:** Thank you. ETeck is in constant communication with all of these tenants because we really want to see these tenants progress and I am certain that if there are any matters that can be worked out in favour of the tenants, eTeck is going to attempt to do so.

**Sen. Obika:** Thank you, Madam President. The genesis of the question had to do with issues that businessmen have in terms of operationalizing the plots and I would like to ask if the Minister has any feedback from the wider business community in Point Fortin regarding challenges in general with the plots.

**Sen. The Hon. P. Gopee-Scoon:** No, I have not had any discussion with them, but I believe that with time, I believe the plots can actually be operationalized.

**Siparia Administrative Building  
(Non-functioning Air-conditioning System)**

**60. Sen. Taharqa Obika** asked the hon. Minister of Rural Development and Local Government:

What is being done to repair the non-functioning air-conditioning system at the Siparia Administrative Building?

**The Minister of Agriculture, Land and Fisheries (Sen. The Hon. Clarence Rambharat):** Thank you, Madam President. [*Desk thumping*] Madam President, this building is the responsibility of the Ministry of Public Administration. I am advised by the Ministry of Public Administration that there are 20 air-conditioned units that require attention in this building; eight of them are direct condensing units—I am not absolutely sure what they are, Madam President, but eight of them are those units and they are earmarked for replacement. Twelve of them are split units, 18,000 BTU, I am very familiar with those, they are earmarked for replacement and there are 10 units which are earmarked for maintenance services to be provided on them and that brings us to a total of 20 units. So this is well in hand by the Ministry of Public Administration, Madam President. Thank you.

**Sen. Obika:** Madam President, this building had this problem for several years and if persons have to get international immunization cards and so on, can the Minister indicate whether or not the OSH agency has made any pronouncement on the safety of this building?

**Sen. The Hon. C. Rambharat:** Madam President, with the greatest of respect nothing in that question prepared me for this bend in the road. So it would be rather improper of me to even attempt to answer this question, way outside my

purview.

**Sen. Obika:** Madam President, I should have rephrased then. The non-functioning air-conditioned system, does that constitute a violation of the Occupational Safety and Health Act?

**Madam President:** That question cannot be asked to the Minister, cannot be posed.

**Sen. S. Hosein:** Thank you very much, Madam President. Can the Minister indicate how long have these air-conditioned units that are earmarked for replacement been non-functional?

**Sen. The Hon. C. Rambharat:** Madam President, without—I can tell you that they have been non-functional for quite some time. [*Laughter*] But the good news as I have indicated is that there are 20 units and 10 are earmarked for replacement and 10 are earmarked for maintenance services and relief seems to be on the way.

### **Chronic Disease Assistance Programme**

#### **(Access to Drugs)**

**61. Sen. Taharqa Obika** asked the hon. Minister of Health:

In light of the numerous complaints from the public about the challenges being experienced in accessing the Chronic Disease Assistance Programme (CDAP) drugs at private pharmacies, can the Minister indicate the following:

- (i) whether an investigation has been launched to determine the veracity of the complaints; and
- (ii) if the answer to (i) is in the affirmative, what are the findings of the investigation?

**The Minister of Health (Hon. Terrence Deyalsingh):** Thank you, Madam President. [*Desk thumping*] No investigation has been launched since there are no reported shortages being experienced by the public in accessing drugs by the

Chronic Disease Assistance Programme (CDAP) at private pharmacies.

And (ii), since part (i) is not in the affirmative, a response does not apply.

Thank you very much.

**Sen. Obika:** Thank you, Madam President. Can the hon. Minister indicate whether or not his Ministry is comfortable that the CDAP programme is supplying all deserved users of the programme—

**Madam President:** Senator, I will not allow that question.

**Hon. T. Deyalsingh:** I wish you would.

**Madam President:** Next question.

**Sen. Obika:** Can the hon. Minister indicate if he is comfortable with the CDAP programme fulfilling its objectives—

**Hon. T. Deyalsingh:** Thank you very much, Madam President.

**Madam President:** No, Minister of Health, no, please. Sen. Obika, I am not allowing that question. Next question, Sen. Obika. Anymore? Thank you.

**Sen. Mark:** Madam President—

**Madam President:** Yes.

**Sen. Mark:** I would like to invoke Standing Order 27(15) in respect of Question No. 15, please.

**Madam President:** Standing Order 27(16) is hereby invoked.

### **DEFINITE URGENT MATTER**

**(LEAVE)**

### **Gender-Based Violence Inflicted On Women**

**(Government's Failure to Protect)**

**Sen. Anita Haynes:** Thank you, Madam President. I hereby seek your leave to move the adjournment of the Senate today under Standing Order 16, to discuss a definite matter of urgent public importance, namely the failure of the Government

to take all necessary steps to protect our women from the unprecedented levels of gender-based violence being inflicted upon them resulting in many cases in the tragic and heart-wrenching loss of life.

**2.15 p.m.**

The matter is urgent because it is clear from the tragic experiences of these victims of gender-based violence that the Government has failed to recognize the urgent need to take steps to protect those who are currently in danger and whose lives are at risk. This matter is of public importance as the primary responsibility of any government is to protect our citizens because gender-based violence threatens the lives of our women and girls. I thank you. [*Desk thumping*]

**Madam President:** Hon. Senators, I have considered the Motion as presented and I am not satisfied that it qualifies under the Standing Order.

**ARRANGEMENT OF BUSINESS**

**Madam President:** Leader of Government Business.

**The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan):** Thank you very much, Madam President. Madam President, in accordance with Standing Order 31(5), I seek the agreement of the Senate for Government Business to take precedence over Private Business at today's sitting.

*Question put and agreed to.*

**FINANCE (VARIATION OF APPROPRIATION)**

**(FINANCIAL YEAR 2019) BILL, 2020**

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

That a Bill to vary the appropriation of the sum the issue of which was authorised by the Appropriation (Financial Year 2019) Act, 2018 and varied

by the Finance (Supplementary Appropriation) (Financial Year 2019) Act, 2019, be now read a second time.

Madam President, this is a finance Bill and it has been passed in the other place. The Bill provides for the variation of the 2019 appropriation of resources in the sum of \$255,369,874 to provide additional funds to bring to account debit advices for the period December 2018—September 2019 in order to meet the payment of interest on the overdraft facility with the Central Bank. Madam President, the total increase in the Head of Expenditure being proposed is \$255,369,874 and the total decrease is an equivalent amount resulting in a nil net effect on the total appropriation.

Madam President, at this point I would like to address the Head of Expenditure from which the reduction in the sum of \$255,369,874 is proposed. It should be noted that following a final review of the 2019 accounts, savings have been identified under Head of Expenditure 39, Ministry of Public Utilities, where the reasons for the savings are as follows:

- Ministry of Public Utilities, \$255.37 million.
- Principal on T&TEC, 812.6 million; fixed rate bond 1.13 million.
- In fiscal 2019, the amortization schedule with respect to the T&TEC \$812.6 million fixed rate bond was revised which resulted in a reduction in the semi-annual instalment paid on the principle, and therefore, savings were realized. Consistent with standard amortization arrangements, these payments are expected to reduce further in 2020.
- Water and Sewerage Authority, 254.24 million. The Government negotiated a guaranteed loan in the sum of US \$100 million on behalf of the Water and Sewerage Authority, which will enable the authority to repay its revolving

credit facility and settle outstanding obligations to the Desalination Company of Trinidad and Tobago, more popularly known as Desalcott. WASA pays Desalcott US \$6 million a month or US \$72 million per year. Of this sum, WASA is able to manage with great difficulty the payment of 3 million from its revenue and requires a subvention from the Treasury to pay the balance. From the \$100 million loan, therefore, \$56 million will be for arrears and US \$44 million will be to assist WASA with payments for desalinated water in fiscal 2020.

Madam President, I now refer to transfer of funds between Sub-Heads under the same Head of Expenditure for noting. With effect from August 01, 1988, Cabinet delegated its authority to approve transfers between Sub-Heads under the same Head of Expenditure to the Minister of Finance when it agreed among other things as follows, and I quote:

Request for transfer of funds between separate Sub-Heads under the same Head of Expenditure—meaning within the same Ministry—should no longer be submitted for the Cabinet, but can be decided by the Minister of Finance on the advice of the Budget Division.

Consequently, the hon. Minister of Finance approved the transfer of funds in the sum of \$1,310,034,704 between Sub-Heads under the same Head of Expenditure for fiscal 2019. It should be noted that the transfers were approved by the Minister of Finance based on Notes from the respective Ministers requesting the transfers.

Madam President, it should be noted that these transfers were requested to reflect the changed circumstances in the Ministries and Departments and a consequential reordering of priorities. They do not increase the total appropriation in any way. Statements showing the transfers approved by the Minister of Finance,

an explanation for these transfers were circulated to all Senators.

Madam President, I now refer to the fiscal out-turn for 2019. Hon. Senators would recall that at the time of the presentation of the 2019 budget in October 2018, oil and gas revenues were formulated using an oil price of US \$65 per barrel and a gas price of US \$2.75 per MMBtu. Based on these and other relevant assumption, the total revenue projected for fiscal 2019 was \$47.724 billion. Correspondingly, the forecast for expenditure was \$51.776 billion resulting in an anticipated deficit of \$4,052,001,000 for fiscal 2019. However, in September 2019 at time of the finalization of the 2020 budget preparation exercise, the revised estimates for fiscal 2019 were calculated for inclusion in the *Draft Estimates for Financial Year 2020*. The total revised revenue was projected at \$46.559 billion and the revised expenditure at \$50.503 billion, thereby anticipating a revised deficit of \$3.944 billion down from 4.052 billion.

The revised position was laid in Parliament at the time of preparation of the 2020 budget in October 2019. As is customary, we are still in the process of determining the actual out-turn for 2019, but we expect the deficit to still be in the vicinity of 3 per cent of GDP, well within international norms. The actual fiscal out-turn for 2019 will be established later in 2019. Projected, revised and actual are the three stages of budget figures. However, we had had to adjust our revised expenditure figure for 2019 upwards by an additional \$380 million as a result of the unplanned cost of unwinding a misguided 10-year US \$250 million forward starting swap lock entered into by the previous Government with Citibank in December 2013. The purpose of this swap lock or interest rate hedge was to derive a potential benefit from what was thought to be a low interest rate environment at the time in 2013.



The way this instrument was structured, if prevailing US interest rates at the time of termination of the hedge were lower than 4.83 per cent, the Government would be obligated to make a payment to Citibank. Conversely, if US interest rates were higher than 4.83 per cent, then the Government would receive a payment from Citibank. In this context, it should be noted that the prevailing US interest rate in 2019 was only 1.5 per cent, thus illustrating the ill-advised nature of the decision of the previous Government to enter into that interest rate hedge in 2013.

From all accounts, the prospect of US interest rates being higher than 4.83 per cent over the period 2013—2020 was remote. Future projects indicated that if we continued with the swap, it would cause the Government to lose more and more money. So, in 2019, the Government bit the bullet and got out of this very unsatisfactory arrangement together with another similar risky, derivative portfolio adjusted by the previous Government in 2011 to our disadvantage at a cost of \$380 million.

Madam President, as indicated earlier, the revised revenue for fiscal 2019 was \$46.559 billion, whereas the actual amount collected was 45.877 billion which was \$682 million lower than the revised projections. The negative variance was due mainly to lower receipts of 539.5 million under taxes on income and profits, and 507.5 million under taxes on goods and services. These lower inflows were partly offset by higher receipts from non-tax revenue of \$345.8 million. The lower than projected receipts from taxes on income and profits was mostly due to a decrease of revenue received under other companies of \$575.5 million as a result of decrease collections from both the energy and non-energy sectors due to the continuous weakening of oil and gas prices on the global market.

With respect to individuals, higher than projected receipts of 21.7 million emanated mainly from payments received during the period of the tax amnesty. In the category of taxes on Goods and Services, the unfavourable variance occurred mainly under value added tax in the sum of \$485 million due to a decrease in collections from the energy and non-energy sectors. The lower taxes collected in these categories were partially offset by higher than projected revenues under the non-tax revenue of \$345.8 million. This higher than projected performance was mainly due to unanticipated payments from the Heritage Petroleum Company Limited of \$156.2 million under royalty on oil and gas, and under sundry; 135.3 million was attributed to a payment of 134.8 million by the International Monetary Fund. This payment was a result of a re-evaluation of the domestic currency and the rate of exchange obtained in the open market.

Additionally, higher than expected receipts of 95 million were also collected under profits from the National Lotteries Control Board which was mainly representative of surplus payments for fiscal 2018. Conversely, negative variances were recorded under one, profits from state enterprises of \$73.1 million as the expected dividend payments of 43.8 million and 22.4 million were not received from the National Enterprises Limited and the Trinidad and Tobago Mortgage Finance Company respectively, and under extraordinary revenue from oil and gas, the projected revenue of 36.5 million was not received from the Shell Oil Company.

Madam President, I now turn to the expenditure side. Whereas the revised expenditure for fiscal 2019 projected at the time of the presentation of the 2020 budget was \$50.5 billion, the provisional out-turn indicates that the actual expenditure incurred was \$51.4 billion, which is 909 million higher than the

revised level. The major areas in which expenditure was higher than projected were under Other Goods and Services by 1.196 billion, and interest payments of 107 million. Expenditure was higher under the subcategories of Goods and Services by \$560 million, and under management expenses/expenses of issue/discounts and other financial instruments by \$609.8 million for the processing of new loans and for the provision of additional collateral in cross-currency swaps due to the volatility of the foreign exchange rate. The Sub-Items under Goods and Services which reported higher than projected expenditure to facilitate the payment of outstanding bills were under:

1. The Trinidad and Tobago Police Service: for Telephones, \$11.6 million; Maintenance of Vehicles, \$14.6 million; Fees, \$13.6 million; and Janitorial Services, \$15.2 million;
2. Under the Ministry of Public Utilities: for Street Lighting \$22.6 million; and
3. Under the Ministry of Education: for Janitorial Services, \$14.7 million; Security Services, \$39.9 million; and under Contract Employment, \$14 million for the payment of salaries due to an increase in the management of contract employees.

Additionally, under the Ministry of Public Administration, fees of \$37.2 million were paid to engage iGovTT for the acquisition and management of enterprise wide licensees for the use of Microsoft software in the Ministries and Departments for the period July 2019—June 2020. With respect to interest, payments on domestic loans of \$3.882 billion were higher than projected by \$132 million of which \$1.263 billion was utilized to service Government's overdraft to the Central Bank. This was 163 million more than that projected in the revised estimate. However, interest payments were lower on external loans by 25 million

primarily due to the late receipt of debit advices which resulted in transactions not being brought to account in time for processing.

Members should also note that the increased expenditure from the preceding areas were partially offset by lower than projected expenditure under Current Transfers of \$301 million, and Current Transfers to Statutory Boards and Similar Bodies of \$242 million. Overall expenditure under Current Transfers was less than projected mainly due to lower levels of transfers under transfers to state enterprises of \$166.5 million. As the result of delays in processing, request for resources under the Agricultural Development Bank, 25 million; the Trinidad and Tobago Mortgage Finance Company, 114 million; the Trinidad and Tobago International Finance Centre, 20 million; and the Community Improvement Services Limited, 12.7 million.

In addition, under Other Transfers, the Community-Based Environmental Protection and Enhancement Programme utilized existing resources of 16.1 million so that extra funding was not required. Under the category Households, 102 million, the lower expenditure was primarily due to the late submission of liabilities for payment of outstanding claims under the State Liability and Proceedings Act, 13.4 million from the Ministry of the Attorney General and Legal Affairs, and delays were experienced in finalizing pensions and gratuity claims, 103.4 million for public officers.

Higher outflows under the food price support programme occurred because of an increase in the number of eligible applicants after the programme was reviewed by the Ministry of Social Development and Family Services. Transfers to Statutory Bodies and Similar Bodies were less than projected by 242 million mainly as a result of policy decisions and constraints on the release of funds. The

primary areas were the Tobago House of Assembly, 56.6 million, and the Water and Sewerage Authority.

Additionally, under the College of Science, Technology and Applied Arts of Trinidad and Tobago (COSTAATT), 25.8 million, delays were encountered in processing the release of funds to COSTAATT by the Ministry of Education. Capital expenditure on the Development Programme was \$153.9 million higher than projected. Expenditure under the Consolidated Fund and the Infrastructure Development Fund, the IDF, was higher by \$40.1 million and \$113.8 million respectively. This was mainly because of unanticipated expenditure in the month of September 2019 as approvals for expenditure in discretionary areas were received in the final quarter of the fiscal year.

Madam President, in closing I wish to reiterate the Bill before us seeks to vary the appropriation for fiscal year 2019 in sum of \$255,369,874. Madam President, I thank you and I beg to move. [*Desk thumping*]

*Question proposed.*

**Madam President:** Sen. Mark.

**Sen. Wade Mark:** Thank you very much, Madam President. Madam President, I am very happy to contribute to this Bill, the Finance (Variation of Appropriation) (Financial Year 2019) Bill, 2020. What I would say from the very outset before I drill down to critical aspects of the closing of our accounts, this country's accounts for 2019, is that we have just witnessed a virtual confession of failure and rampant mismanagement of this country's resources [*Desk thumping*] by a clueless, hopeless, bankrupt, and ultimately outgoing administration.

Madam President, what we have here and what I will demonstrate is what I would like to call reckless financial mismanagement of our resources, and this

Government's continued overdependence on the Central Bank for financing rather than its own operations. What we are also going to show is what could only be described as cosmetic accounting, and in some instances, misleading and deceptive accounting. Madam President, I would like, through you, to get certain answers from the hon. Minister on certain expenditures as we have before us, and for the Minister to explain to this Parliament where was that identified in the *Estimates of Expenditure* for 2019.

Madam President, based on the transfers that the hon. Minister mentioned, what we have also seen is a virtual abandonment of whatever diversification thrust that this Government was attempting by what has been described as savings. This is not savings, Madam President. This is suppression of funds in order to deal with the critical item that is before us, interest payment on the overdraft facility at the Central Bank. And you will see, Madam President, that whether it is the ADB, whether it is business stimulus programmes, whether it is fiscal incentive programmes for farmers, you will see where the Government is claiming that it has saved moneys. It is not savings, Madam President. It is a suppression of expenditure in order for the Government to continue its voracious borrowings.

Madam President, the Minister spoke about the fiscal out-turn for 2019, let me indicate to this honourable Senate that what we are witnessing, and what we have just witnessed based on the accounts before us, and the documents that we have been privy to, is an economy that is in a state of stagnation and virtual regression. And, Madam President, the facts are stubborn things to deny and what we are seeing is that the Government has created a literal record: 2016, negative economic growth, contraction of our economy; 2017, negative economic growth and a contraction of our economy; 2018, negative economic growth and a

contraction of our economy.

So, Madam President, three consecutive years of negative economic growth and thereby contraction of our economy, and by the end of March of this year all the numbers are going to be in and from a brief cursory analysis of the numbers and doing some forecasting and projecting, the evidence is emerging that we are going to be witnessing in the fourth year of negative economic growth and contraction of our economy. That is the record of the mismanagement of power resources by this hapless PNM regime. [*Desk thumping*]

**2.45 p.m.**

And that is why, Madam President, we are now hearing a song emerging from their corridors that what they are going to campaign on in 2020 is not performance but morality in public affairs. That is what they are telling us, Madam President. Madam President, so we have before us a Bill and that Bill is telling this honourable House a story. The numbers, Madam President, are telling us in this Senate a story about reality in Trinidad and Tobago.

And, Madam President, whether we look at this country's foreign exchange reserves which stood at close to US \$12 billion in September of 2015 to now where it is just \$6.9 billion from 12 months import cover to just 7.7 months import cover, or whether it has to do with debt, the public debt of our country which stands at over \$106 billion and in 2009, 2010, our external debt was about 10 per cent of the GDP almost. You know today, Madam President, we have a situation where you just take our debt alone externally, it has now gone close to 68 per cent under this Government. Madam President, what we are doing right now is seeing and witnessing borrowing, borrowing and borrowing and no growth in our economy whatsoever and, Madam President, that is leading to joblessness, hopelessness,

rising cost of living for our citizens in this country and growing income inequality in this society.

Madam President, I would like to ask you to just pay attention to what we have been told in this Bill. We have been told, Madam President, that there has been an increase of \$255 million, I will round it off to 255, that the Ministry of Finance, Head 18, witnessed an increase, right, in terms of moneys allocated through what?—decreases or a decrease, Madam President, in the Ministry of Public Utilities to the similar amount, \$255 million. And Madam President, when we ask the question—may I advise at the same time that you have to do like what the Minister indicated a short while ago, if you want to really understand, Madam President, what has happened, you have to go to what the Minister has referred to as the transfers in 2019. And, Madam President, when we look at the transfers, we are seeing \$255 million being saved as a result of public utilities, both in terms of T&TEC and WASA. But we are also seeing, Madam President, some \$757 million being saved and being used towards the payment of interest on the overdraft facility at the Central Bank.

So, Madam President, what we have in our country, between December of 2018 to September of 2019, was a Government scrambling, suppressing many critical areas of public expenditure that could have generated growth and stability, and security and safety for our people and our economy taking that money and doing what? Madam President, paying over \$1.1 billion in interest on an overdraft facility at the Central Bank. December of 2018 to September 2019, in 10 months, Madam President, this Government had to pay back to the Central Bank, \$1.1 billion or may I say, Madam President, over a billion dollars in interest. Now could you imagine the amount of money that this Government is drawing down



from the Central Bank in order for it to conduct its current business in Trinidad and Tobago and what impact that is having, Madam President, on our exchange rate, what impact it is going to have on inflation, Madam President, what impact it will have on our foreign exchange reserves in this country? These are realities that we are faced with, Madam President, and the Government comes here today, through the Minister of Finance, to close the accounts of 2019 and these are some of the realities that they have to address.

Madam President, may I advise that we are told that T&TEC, because of a fixed rate bond, and this fixed rate bond is related to a loan that TGU, Trinidad Generation Unlimited, had borrowed in order to pay back the Government some years ago. And they said that they realized through amortization and revision a savings of \$1.1 million, Madam President, as you would see. We are told, Madam President, that in the case of WASA, they also experienced a similar kind of saving where, Madam President, the Government, with US \$100 million loan, guaranteed loan, they were able to negotiate this loan so that WASA can meet its outstanding obligations to the Desalination Company of Trinidad and Tobago.

So here it is, Madam President, both T&TEC that is in serious trouble in this country, providing lights or electricity to our country and its citizens and WASA providing water, and Madam President, you know what has been going on with water supply in this country in 2019. We know that people are suffering and suffering for water but, Madam President, I want to bring to your attention, whilst we are being told by the Minister of Finance that the Water and Sewerage Authority, and by extension, public utilities, was able to save \$254 million, you know this same WASA that saved \$254 million, Madam President, and the same US \$100 million facility that they are renegotiating to allow WASA to pay their

debt or whatever obligations to Desalcott. Do you know, Madam President, as we speak, T&TEC is owed by the Government and its various entities and Ministries over \$1 billion? Do you know that T&TEC today is owed over \$1 billion? Would you believe that the same Public Utilities Ministry that is saying that they saved under WASA, \$254 million, they owe T&TEC between \$60 million and \$80 million, that same Ministry of Public Utilities? Madam President, that is not all.

You have a company called Desalcott which is a private company, generating profits in this country, getting, as we are told today, some US \$6 million almost a year from WASA, TT \$72 million we are told. Madam President, do you know that this company owes T&TEC—I am talking about Desalcott, they owe T&TEC over \$100 million? And you know what is even worse? And I want the Minister of Public Utilities to tell this Parliament. A company that is owing that amount of money has not been cut off but ordinary people, households in this country that owe T&TEC, three months, two months, Madam President, “they come and they cut off your current, they cut out your electricity supply”. [*Desk thumping*]

But we understand and I want the Government to admit or deny this evening that instructions have been given to T&TEC: do not cut off supply of electricity to Desalcott. We want the Government to tell us whether they have given instructions not to interfere with the supply of electricity to Desalcott even though this private company is owing T&TEC over \$100 million. If I am not mistaken, it could be about \$130 million or thereabout. So we need answers from this Government on these matters. It is alarming, to say the least, that these things can be taking place, Madam President, and we do not have the kind of answers that would be needed from the Government on this matter.

Madam President, I also want to let you know that, and I want to advise this Government, this overdraft facility, I want to just get back to that briefly. This overdraft facility is impacting on our foreign exchange reserves which is steadily declining, and you would know that if this Government continues to utilize that facility, that is going to lead to some difficulty down the road. Madam President, you will agree with me that people who use too much salt in their diet run the risk of hypertension and people who consume too much carbohydrates and sugar run the risk of contracting diabetes and therefore, a Government that uses too much of Central Bank's financing, do not be surprised that one day, sooner than later, they will run down all our foreign exchange reserves in this land. I want to put this country on notice, Madam President, on what can take place if we continue how we are going.

Madam President, I want to also bring to your attention a development that is of serious concern to Trinidad and Tobago and it has to do with the fact that we have a situation as it relates to Head 18, Ministry of Finance, we have a situation where we are informed that a private lobby group called Group DC LLC was paid in the month of September some US \$900,000 or the equivalent of \$6.3 million. Madam President, I know Cabinet has authority but I also know that when the Cabinet gives authority to execute some particular project or to approve some kind of expenditure, the Cabinet must show process and the Cabinet must show evidence. Would you believe that we have a situation today, where we are told that the Government of Trinidad and Tobago has contracted, has retained the services of this group called Group DC LLC? But you know what? Six point three million is paid according to Head 18 under Transfers to this entity, but Madam President, I looked, I looked, I looked.

Madam President, I have before me the Drafts Estimates, details of Estimates of Recurring Expenditure for the financial year 2019. I have looked under the Ministry of Finance, I looked under Goods and Services, I looked under Other Contractual Services for an Item—a Sub-Item called Group DC LLC for \$6.3 million. I am yet to see under this document an item for \$6.3 million for Group DC LLC, but you know, Madam President, I am seeing in documents before me that this group is being paid and has been paid \$6.3 million. My research has told me, has led me to conclude that on the 25<sup>th</sup> of September, Arthur Reginald Collins, the leader of Group DC LLC, received US \$900,000 from Trinidad and Tobago, and Madam President, I am looking for the authorization here in this book. I am not seeing it. I am demanding on behalf of the citizens of this country, today, that the Minister of Finance and the Minister in the Ministry of Finance table today, the Cabinet Minute, the Cabinet document, and the contract that gave rise [*Desk thumping*] to \$6.3 million to this group called Group DC LLC. I want to put it to you and this honourable House that an illegality has taken place in this Parliament and the Government is using this Parliament to cover up an illegality unless—

**Madam President:** Sen. Mark, please. We have been away from the Chamber for a little while but the Standing Orders have not changed and I would ask you, please, to take back what you have just said, withdraw it. You cannot be saying that as you have just said it.

**Sen. W. Mark:** All right. Madam President, I withdraw but I want you to guide me. If I have not seen in this document any Sub-Item for this group called Group DC LLC for \$6.3 million, Madam President, I plead with you, I plead with you to tell me how would you describe this development. I described it in strong

language. All I am saying, Madam President, something is amiss and we need answers from the Government of Trinidad and Tobago on this matter. [*Desk thumping*] That is all that I would like to say.

Madam President, I would also like to say very early in this matter because I know my time is rushing on. The hon. Minister in the Ministry of Finance made what I consider to be a misleading statement or made a statement that is—

**Madam President:** Sen. Mark.

**Sen. W. Mark:** I withdraw the word “misleading”—made a statement that when you drill down to extract elements of veracity from that statement, you are seeing, for instance, some challenges emerging. I want to put it to this honourable Senate that the \$380 million that the Minister is claiming that the Government had to pay because of what took place with a former Minister of Finance under the People’s Partnership administration, I want to put it to this honourable Senate today that the Government and the Minister of Finance could have unlocked themselves and unwind themselves from this so-called swap deal that they talked about long before last November. They could have done that in 2015, 2016, 2017, 2018, 2019. Why did the Government of Trinidad and Tobago stay so long to get out of that contract? Why did they choose to do it in 2020 or late 2019? Do not blame the PP or the former Minister of Finance for your own incompetence. [*Desk thumping*] This is incompetence on the part of the Government of Trinidad and Tobago and they are coming here to try to see if they could pin blame on somebody else but it is the Government that has to take full responsibility for that matter. Once, Madam President, you examine this and you realize the interest rate was low and you were going to pay higher cost, why did you not get out? Why did you not get out? You refused to get out and when you did get out, you paid \$380 million to get out and

“yuh coming to blame me?” No, “blame yuhself, blame yuhself for incompetence”. Do not come and blame me for your incompetence.

Madam President, I just only want to also let you know that when I looked at this document very carefully, I would like to let you know, this company I mentioned earlier to you and to this honourable House called TGU, the only customer of TGU is T&TEC. That is the only of customer of TGU. Madam President, do you know that the same T&TEC—and I am not blaming T&TEC management, eh, or the workers, eh, I am saying the Government of Trinidad and Tobago must take responsibility for what is taking place at T&TEC. Do you know as we speak, as at the end of December 2019, the T&TEC owes TGU some US \$117 million? And this is being increased by US \$10 million every month. This is unsustainable for TGU and the Government is to take responsibility for that. Madam President, do you know that this same TGU which is supplying and generating a lot of energy to T&TEC borrowed and had to service, from our research, some US \$600 million because a bond was taken out to that effect? Do you know TGU is part of NIF and if TGU is not getting money from T&TEC, how will TGU pay dividends to NIF? How are they going to gain money to buy spare parts and equipment to keep their operations going? This is a serious matter and the Government of Trinidad and Tobago has to take responsibility for this. It is a national crisis that is impacting negatively on TGU, impacted upon its efficiency in terms of operations.

Madam President, not only that, T&TEC owes NGC hundreds of billions of dollars. And who is paying that? So you have T&TEC in trouble, because of mismanagement on the part of this Government. You have TGU in trouble because of mismanagement on the part of this Government and you have NGC in

trouble because of mismanagement. And, Madam President, I want to remind you, never forget, the Government of Trinidad and Tobago—I am sorry that my good friend is not here, I was about to welcome him back, the hon. Franklin Khan, he is my good friend, but he is not here. But I want to remind this honourable House that the Government of Trinidad and Tobago, led by the Prime Minister and the Minister of National Security then went to Houston, Texas and they negotiated directly with BPTT and EOG and imposed an onerous price that NGC is now forced to ask customers at Point Lisas to pay and that is what is causing a major crisis at the Point Lisas Estate today. Prime Minister of this country, let him deny that. It is on public record that that was done.

Madam President, may I remind you on the transfers and the so-called savings, which is really, as I said, suppression. Why are you fooling the country and telling the country you saved? What did you save? “You eh save nothing.” [*Desk thumping*] The Government suppressed expenditure and “they mamaguying the population”, fooling the nation and saying “they saved”. Would you believe, and I know that you find—Madam President, you will agree with me that I can go a little louder because my voice will now ricochet above as opposed to the crowded Chamber, but I will be guided by you because I know that you are very—you like me to speak softly.

Madam President, could you understand, could you seek to appreciate, this is a Government that talks about Caricom, especially the Minister of Trade, I am sorry she is not here either. We are talking about Caricom. Would you believe that we saved, in 2019, \$36 million that was supposed to go to the Caricom Development Fund? That is what we are being told that we saved. You did not save, you suppressed that. Madam President, the Infrastructure Development

Fund, involving several projects, including the 60 schools that they cannot repair today, roads that have potholes and people are dying because they have to swerve to save their cars and their wheels and people are being killed in the process through accidents and other very important projects. Would you believe that we are being told by the hapless, clueless, hopeless Government that they saved \$156 million? Could you believe that? In basic infrastructural programmes and projects.

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

**Sen. W. Mark:** Thank you very much, Madam President. I thought I was about—

**Madam President:** I know, but can you also address the Chair, please?

**Sen. W. Mark:** Okay.

**Madam President:** Thank you.

**Sen. W. Mark:** I always like to look at my President. Would you believe that they are telling us that they saved \$156 million? We are talking about public-private sector construction incentive programmes. They are telling us they saved \$15 million. Where is my colleague from the Ministry of Agriculture? I am seeing him here before me. Would you believe policy guidelines to administer both business stimulus programme and fiscal incentive programme for farmers were not finalized in this fiscal 2019? And we were able to save, according to this document, \$37.8 million and \$20 million respectively, giving you a grand total of \$57.8 million. When you add the Agricultural Development Bank, another \$25 million. As Dr. Bhoje Tewarie said yesterday, you need a study in agriculture insofar as this is concerned.

This is a project. When you want to develop or under develop agriculture, go to the transfer of funds document that we have before us and we can understand



what it means to under develop agriculture in Trinidad and Tobago, Madam President.

**3.15 p.m.**

Madam President, we are also told that the Government saved what, \$120 million that they were supposed to give to Trinidad and Tobago Mortgage Finance Company. Do you know why? The request for subvention was received after the close of fiscal year. Madam President, we are positing that the Government of Trinidad and Tobago is responsible for what we are experiencing today in our country. They have mismanaged our resources. Madam President, they have squandered our resources, Madam President. They have done everything in their power not to put this country on a proper growth path. Madam President, we are without a medium-term economic strategy and framework to guide our development.

And Madam President, whilst we did not talk about the write-offs, and I know that that is a matter that was dealt with, and I saw it in the newspapers, I wanted to ask, Madam President, with your leave in the two minutes I have remaining, whether the Minister can provide to the Senate an understanding of the policy that is in fact pursued when it comes to write-off? Madam President, I understand that once you are overpaid you are written to, and you are told to prepare to pay back, and there is a schedule to that effect that must be followed. And I do not understand why we are being told that so many millions of dollars are being written off for some and we do not know what is happening for others. And that is an area that we would like to have clarified.

So, Madam President, as I wrap up, I just want to tell you that the Government of Trinidad and Tobago has disappointed the citizenry of this country.

They have not offered any hope for this country and its people. And it is only a matter of time, Madam President, we are going to get that bell being rung. They are going to ring the bell for the election. And, Madam President, when that bell is rung, the people are going to make a decision to deal with this clueless, directionless, bankrupt and hopeless administration that has brought nothing except pain to the citizenry of this country. Madam President, I thank you for the honour.  
[Desk thumping]

**Sen. Amrita Deonarine:** Thank you, Madam President, for the opportunity to contribute to the debate today on the Finance (Variation of Appropriation) (Financial Year 2019) Bill, 2020. This Bill before us today may seem to be a very simple one. Madam President, it is just two variations, a reduction from the Ministry of Public Utilities that goes towards the Ministry of Finance. This is merely to facilitate the close of accounts. It is an administrative necessity, and it is already done. We therefore cannot change the past. We only have influence over the future.

But, Madam President, as expected we are a small open economy, dependent on volatile energy prices. So circumstances change during the year, for which the Minister of Finance is allowed to make variations, according to law, to facilitate smooth operations in this dynamic ever-changing economic environment that we operate in. Madam President, I was saying that the clauses of this Bill may seem very simple. But, upon closer look, it indicates that we are still dealing with serious, significant cash flow management issues in this country. Things are simply just still very tight.

Today, Madam President, because this Bill came to us late yesterday afternoon—not the Bill, sorry, the explanations of the Bill—I would like to focus

mostly on the payment towards the interest of the overdraft facility. Because, Madam President, we are here for a second consecutive year, discussing another transfer to the Ministry of Finance to finance the overdraft on interest payments on the overdraft facility.

One of the very first issues I would have touched on in this Senate, during debates and also raised during oral answers across the floor, is this issue of the overdraft facility and I have continuously raised this issue, primarily because it is not counted in our debt to GDP ratio and it could silently creep up on us and have potential negative consequences on our foreign exchange reserves.

Now, despite my fair share of investigation in this overdraft facility, there are still many questions I have unanswered. First things first, what is the available capacity to the Government by the Central Bank? I was hoping that the hon. Minister of Finance would indicate, in piloting the Bill, how much we have available at the Central Bank facility. You see, Madam President, we cannot be talking about interest rate on the overdraft facility when we do not know what is the maximum available amount. It is like having a credit card and not knowing what the limit is.

According to section 46(2) of the Central Bank Act of Trinidad and Tobago, it states that cash advances cannot exceed 20 per cent of estimated annual revenue for the financial year in which advances were first made. And I emphasize on “the year in which advances were first made”. So it is not just 20 per cent of revenue in this fiscal year or last fiscal year. It is 20 per cent, based on the first year in which we would have run an overdraft in the Central Bank facility. So, based on my dialing back on the Auditor General’s Report, because that is the only source for the overdraft facility figure, I have seen that it goes way back to September 30,

2011, when we would have recorded, for the first time, an overdraft in the Central Bank facility. And the overdraft in the Central Bank facility, at that point in time, would have been 20 per cent or \$42.5 billion. Because that was the estimated revenue at that point in time, and that is revenue net of any borrowings.

Running a few calculations, Madam President, the numbers just simply do not add up. Because when I raised the question during oral answers, last year, the facility stood at May 2019, at \$10.4billion. I honestly think that the people of Trinidad and Tobago deserve an answer as to what exactly is the amount available at the Central Bank facility for us to access and also the amount that we have already used to date and the available amount that we have yet to access.

Secondly, the fact that we are here for a second consecutive year discussing an increase in the funding for this facility tells me either one of two things; we are grappling to meet short-term financing requirements such as the payment of salaries, goods, services and other day-to-day operating expenditure. Hence, we keep dipping into the overdraft unexpectedly. Because, Madam President, if we receive revenue from the energy sector—I understand taxes from the energy sector and other income taxes are usually received by the Government on a quarterly basis—then if we receive this money on a quarterly basis, then we should have sufficient cash flow for at least three months. Is it that we have been receiving significantly less cash from these sources, especially given that we have prices in the energy sector significantly declined over the last fiscal year?

And this brings me to the other point, our budgeting for the overdraft facility. Since 2017, according to the Draft Estimates of Expenditure—now while I understand that this is simply a draft—what seems to be a pattern is that every year approximately \$200 million to \$250 million is being allocated to finance the

interest payment on the overdraft facility. However, actual expenditure in 2017 indicated that \$946 million went towards paying interest on the overdraft facility. Then actual expenditure in 2018 indicated that we spent \$1.1 billion and then in 2019, the estimates were revised again upward to \$1.1 billion from \$215 million. Also, in the notes circulated, I also saw, and Sen. Mark also alluded to it, that there has already been 755 million transfers to finance the overdraft facility.

Now, all these moneys that are going towards financing the interest payment are moneys that we could have used to finance other operations in different Ministries. A lot of Ministries have been suffering from significant delays in releases and they themselves are having problems in meeting day-to-day operating expenditure.

Now, Madam President, studies have indicated that in developing countries, although it is not highly recommended, both in developed and the developing countries, to resort to overdraft financing, studies have indicated that in developing countries the overdraft should be a facility available as a short-term intervention only to facilitate the smoothing out of revenues fluctuations. But, Madam President, we have been using this facility for almost nine years. And I understand that we have volatile energy prices. I understand there has been a significant decline in energy prices since 2014. But this has always been the case. Government to Government we have to understand we continue to operate in an environment where energy prices are volatile. So despite having undergone some fiscal consolidation, Madam President, I would have expected some benefits from the fiscal consolidation exercise that began around 2016/2017 to have accrued and contributed towards us having to resort less towards the overdraft facility.

Now, Madam President, I may appear as if I am throwing a tantrum over this

overdraft facility, but that is not the case. The main reason why I am so concerned about this is, as I said earlier on, that it is not included in our debt to GDP ratio, which is one issue. But the bigger issue is that Government borrowing from the Central Bank is not independent of the exchange rate. And Sen. Mark also alluded to this and I would go on to elaborate on this, although not in as much colourful language as he did. I want to urge the Government to be cognizant that it is dependent on the exchange rate. The use of the overdraft facility could contribute to an expansion of the monetary base. And when I say the monetary base, I mean the money supply in the country. This increases liquidity and it could enhance capital outflows. That is one issue.

It therefore creates downward pressure on the exchange rate, causing the Central Bank to have to intervene, and when the Central Bank intervenes it has to manage the peg with the US, our peg with the US, by drawing down on our reserves. This increase in money supply can further drain Central Bank reserves and ultimately, if not properly managed, can lead to a balance of payment crisis.

So, therefore, Madam President, reducing this overdraft facility would sterilize the monetary base and ease pressure off the Central Bank of Trinidad and Tobago to have to maintain the foreign reserves. Therefore, hon. Minister in the Ministry of Finance, through you Madam President, your target for reducing this overdraft facility over time will serve to restrict the decline in reserves in Trinidad and Tobago.

Now, another unanswered question that I have about this overdraft facility is the terms and conditions of repayment. How long do we have to repay this overdraft facility? Over what time frame? I think the people of Trinidad and Tobago deserve an answer for that as well. And I also want to know, what is the

Government's strategy in reducing this overdraft facility? And I focus only on the overdraft facility, Madam President, because this is the matter before us today. I do not want to stray into the bigger issue of our external and domestic debt. So what I am saying is that we simply cannot wait on energy prices to rebound. That is not a solution to financing this overdraft facility. That is, in my understanding, redounding to wait and see economics, which is not practical in this day and age. We have to ensure that we yield short-term revenues outside of the energy sector to manage the situation of cash flow management, because we have been operating, I assume, very close to the overdraft limit.

So, Madam President, some options that we have, there are three main options that we have. One, find new sources of revenue, short-term revenue primarily. So this is outside of the whole diversification discussion and further contain expenditure. So that will require cutting expenditure and raise debt. Now, in terms of the need to look closer at—in terms of finding other sources of revenue, short-term revenue that is, we need to look closer at reducing wastages and inefficiencies. Now, I understand the hon. Minister in the Ministry of Finance, through you Madam President, did indicate that there has been some savings, and there has been lower transfers to state enterprises and statutory bodies, where some of the savings were accrued to. However, I am not sure how much of these savings in total is as a result of delays of releases that were originally allocated in the last fiscal year.

Now, I also know that there was a public expenditure review conducted by the World Bank, and in that report the hon. Minister of Finance did indicate that they have identified different areas of significant inefficiencies in the Ministry of Health, the Ministry of Education and the Ministry of Social Development and

Family Services. If we adopt those policies that were outlined in those reports, we may be able to manage some reduction in wastage and inefficiencies. That is just one area that I am identifying.

Now, another area of reducing wastage and inefficiency is enhancement of the tax administration and compliance, and this is even before we even start to talk about the revenue authority. Apart from the revenue authority, which requires legislative changes for the establishment of the authority, what work has been done thus far to ensure that we have some sort of improvement of tax compliance and tax administration in Trinidad and Tobago? The tax amnesty last year does not count. That is a one-off exercise.

And I raise this, Madam President, because while I was browsing through the newspapers over the weekend I saw that an article was reported that led me to look at the Financial Intelligence Unit annual report for 2019, and in that report it reports that tax evasion was valued at about \$700 million between October 2018 and September 2019. And these are just reported cases; cases that the FIU has picked up on. So the issue of tax compliance and the need to enhance tax administration is something that we still need to drill down on.

Also the recent demonetization exercise that we had, I am wondering what intelligence gathering was done during this exercise to ensure that we have additional information from businesses and individuals to ensure that they are now accounted for and can be follow up on, to ensure that we have—they are tax compliant.

So, Madam President, another option would be to raise debt, and I honestly believe that we have exhausted that option. We have raised the limit on almost most of the debt legislation. Most recently in December, we have had an increase



in the limit in the Treasury Bonds Act. Now, that is okay because the moneys that are raised in the Treasury, raised through T bills, would tend to be in blocked accounts and they are sterilized. So, therefore, in most instances it would not find its way to the money supply and may not impact on foreign reserves as much.

But, what we need more, most importantly, is a comprehensive debt management strategy. And if there is one, I would like, through you, Madam President, to ask the hon. Minister of Finance to enlighten us on the details of this debt management strategy. Because usually, Madam President, debt management strategies form a part of the medium-term fiscal framework of any country. Since I have sat in this honourable House, Madam President, I have searched and I have not been able to come across a medium-term fiscal framework of the country or a debt management strategy of the country through any online sources.

So, in conclusion, Madam President, I would like to say that we need to focus on what our priorities are, and I ask this honourable House and the Government of Trinidad and Tobago what are our short-term priorities? Our priorities set out should go beyond just getting us by. The short-term cash flow management of the country cannot continue to be financed by the overdraft facility at the Central Bank of Trinidad and Tobago. We should also always ensure that the current management of the economy does not pave the way for needing funding resources with onerous obligations.

With those few words, Madam President, I would like to thank you. [*Desk thumping*]

**Sen. Saddam Hosein:** Thank you very much, Madam President, for giving me the opportunity to rise in this august Chamber in order to contribute to this Bill, which is a variation of appropriation Bill dealing with the fiscal year 2019, this being the

first Bill that this Senate is debating in this new year in this new House.

And, Madam President, before us, this Bill has only five clauses and one Schedule, and it may be deceptively simple but the numbers inside here are quite enormous. Because this deals with the management of the money of the people of Trinidad and Tobago. So, what the Bill does, Madam President, is really to close off the books for the fiscal year 2019, where there was an adjustment with respect to the expenditure from the Ministry of Public Utilities and varying an increase in the transfer to the Ministry of Finance.

So, the Government has called this exercise savings, coming from the Ministry of Public Utilities and transferring it to pay interest on the overdraft to the Ministry of Finance. Now, if this is some sort of savings, then there must have been some additional source of money coming from somewhere. But when you balance the books, you would realize that there are no net increases or decreases in fiscal 2019, after this transfer is done. And the Government is asking this Parliament to approve the sum of \$255 million, roughly, for interest payments on the overdraft. And this continues to be the false narrative and the propaganda by this PNM Government, because they come to tell the population: “Look, the economy has turned around”, but yet thousands are without jobs. They come to tell the people we are growing, yet we are borrowing more.

Madam President, people in Trinidad and Tobago have no food. Some of them have no water and some of them have no jobs. But I want to look at what is happening with respect to these two public utilities, that being T&TEC, and the next being WASA. Because everyone here will agree that the services in which T&TEC and WASA provide to the people of Trinidad and Tobago are essential services. But the state of these two public utilities in this country, Madam

President, is a worrying state, for both the Opposition and the Government. This is not a UNC issue. This is not a PNM issue. This is an issue affecting the people of Trinidad and Tobago, Madam President. [*Desk thumping*] Because if we do not get this right, how can we, sitting in this Chamber, face the population and say that we cannot provide water, or electricity, basic amenities for the people of Trinidad and Tobago while we sit and debate in such luxurious environments?

But, Madam President, let us look at what happened in T&TEC. This bond payment of 600 hundred, sorry, let me just get the figure. This bond payment that T&TEC has, which is the \$812.6 million fixed bond, there was a savings accordingly, so-called savings; let me say that, a so-called savings recorded in the tune of roughly “one point something million dollars” and that is used for the servicing of the overdraft. Now, the basis on which the Minister gave the answer for the reason for this savings, it dealt with a revision of the amortization schedule which is a reduction in the principal payment for fiscal 2019.

Now, Madam President, how did this come around? The Minister gave us little or no information with respect to this particular item. How did this reduction come about? Will there be some sort of defaults in payment for fiscal 2019? Because this cannot be a savings, you know, Madam President. Because if you have a loan for a vehicle, there is a principal amount and there is an interest amount. It is the same thing in this instance. There is a principal payment and there is an interest payment. So if there is some sort of reduction in the principal payment, it means that later down the road, we still have to pay this thing. So how could you say that is a savings, when in fact you are now extending or inflating the time in which you have to make these payments for this fixed bond that affects the Trinidad and Tobago Electricity Commission? So it is not a savings. What the

Government is really doing is kicking the can down the road. They usually do that; just kick the can down the road. They do not have the courage to deal with these issues, Madam President.

Now, another issue dealt with WASA, and because we had such short notice of this debate, I looked at what happened yesterday in the other place and the Minister of Public Utilities played a very vital role in that particular debate and he complained, and he complained, and he complained about WASA. He complained about Desalcott. But you know what, Madam President? He did not offer any solutions to the people of Trinidad and Tobago. [*Desk thumping*] No solutions, none whatsoever.

**3.45 p.m.**

So you heard last year also that the Prime Minister would have also made some adverse comments against Desalcott. But what is this Desalcott really about Madam President, for those persons who are listening? There was a water crisis in 1999 under a “Panday government” and under that government a decision was taken that Desalcott will now come on board so that it would provide approximately 24 million imperial gallons of water per day to Trinidad and Tobago. Nothing is wrong with that; you are bringing more water into the system, water is life.

And the Minister at that time you would have heard something called “Water for all”, and I noticed that this Minister of Public Utilities that we have today poured scorn on that, poured scorn because people say you want water for all. That is a vision, Madam President, that is a vision for the people of Trinidad and Tobago and this Government will never accept that vision because they are visionless, Madam President. [*Desk thumping*] They are completely without a

plan. So you can pour how much scorn you want on “Water for all”, we on this side will promise that one day the people of Trinidad and Tobago will have water for all, Madam President. [*Desk thumping*] “Water for all”.

So let me get back to what was happening with respect to Desalcott then. Yesterday I heard that they blamed the UNC Government. Blamed. Blamed the UNC Government for entering into a contract sometime in 2012 where Desalcott now increased their water output from 24 million gallons to 40 million gallons per day. So we move from 24 to 40. The people of Trinidad and Tobago have to pay for this water. Yes, we understand that but the majority of this water, Madam President, is supplied to whom? The Point Lisas Industrial Estate. That is the energy capital of this country and whatever surplus water, it goes to most of the central and south communities in this country.

The Government complained that we locked them into this agreement with Desalcott. But, what they did not say is that under a PNM Government pre-2010, I have it here, that they themselves promised, look water desalination report dated the 21<sup>st</sup> of June, 2010, when then public utilities Minister, Minister Abdul-Hamid told the country that they are going to expand the existing Desalcott plant in Point Lisas from 25 million imperial gallons of water per day to how much? To 40. So when you complain that the UNC government locked you in a Desalcott agreement for 40 million gallons and you have to pay for all the water that they produce. That was your plan. You started this negotiation, you left us with this.

Then the Minister of Finance, today, he was then an Opposition Member in the last Parliament.

**Madam President:** Sen. Hosein, I have given you some time to develop your arguments, but I am struggling now to understand the relevance to what we have at

hand. You are not tying it in. I want to also point out to you that what happened in the other place, you can make reference to it, but you cannot be debating what happened in the other place as you present your arguments.

**Sen. S. Hosein:** Madam President, what I am dealing with here with respect to these so called savings and this \$100 million loan that the Government took in order to pay Desalcott that we are asking to be varied and that is what resulted in the savings.

Now we have to understand where we came from, because we have to pay Desalcott all of this money every year. But, you would remember, Madam President, as they continue to vilify Desalcott with respect to the payments that the people have to pay to Desalcott. Recently, when the Desalcott plant shut down in Point Lisas, you know how many communities this affected, Madam President? The amount of communities this affected, look I have press release from WASA here, dated the 26<sup>th</sup> of September, 2019. It affected Caroni, St. Helena, Charlieville, Chaguanas, Cunupia, Carapichaima, Couva, Claxton Bay, Marabella, Gasparillo, San Fernando, Cocoyea—

**Madam President:** Sen. Hosein.

**Sen. S. Hosein:** Sorry.

**Madam President:** I see the link that you are trying to make. But this is not a debate on Desalcott. Your entire contribution so far has been on this one point. I am asking you to finesse your contribution and make it a little more relevant, tie it in, to what we have to deal with.

**Sen. S. Hosein:** Madam President, this \$100 million loan that the Government has taken for Desalcott, this pays the arrears with respect to what the Government owed Desalcott for fiscal 2019, and there is a surplus now that will be used for

2020 to pay Desalcott. The Minister indicated it is about \$6million per month that we have to pay to Desalcott.

Now, Madam President, what I want to explain to this House is that, when the Government says that there is a savings of \$254 million, at the same time you are borrowing \$700 million. So how could you say that is a savings? That is the first point. The second point is that, unless the Government comes up with some proper management system and debt restructuring of WASA and T&TEC, we will constantly be in this revolving door situation where we are going to be doing the same exact thing over and over.

But, Madam President, we on this side we have solutions. We understand what is happening with respect to the financing of WASA and T&TEC. So that one day you do not have to take moneys out of these companies to pay interest on the overdraft and in our economic transformation master plan, Madam President, we presented solutions. The Leader of the Opposition presented solutions to this country. I may not want to go into all of the solutions, because I may be stopped in terms of the Standing Orders, but we have the plan. I will use a next forum to present what the plan is. [*Desk thumping*] But we have the plan right here in black and white in terms of debt restructuring for both WASA and T&TEC in this country.

So that deals with the so called “savings” that the Government has from those two companies. So what we are going to use it for now? The payment of interest on the overdraft. As Sen. Deonarine correctly pointed out at section 46(2) of the Central Bank Act, it provides for the limit on which the overdraft on Central Bank can be used. And that limit, Madam President, is calculated on a percentage of the estimates of revenue minus the revenue from financing. So you only use the

capital and non-capital revenues to calculate the overdraft according to the law, it is exclusive of local and external loans.

Now the overdraft facility is used to prevent short term borrowings in the country. Now in the 2020 Estimates of Expenditure at page 108, Madam President, it was stated that the interest, the revised estimated for interest payment on the overdraft was \$1.1 billion. Now, when the Minister is winding up her presentation I want to find out from the Minister whether or not the estimate for fiscal 2019, it was \$250 million. The revised estimates is now \$1.1 billion. Within the transfer for the fiscal 2019 there was approximately \$700 million being taken out from several Sub-Heads under the Ministry of Finance and used to finance interest on the overdraft. I want to ask the Minister whether or not \$1.1 billion revised estimate is inclusive of the \$700 million figure that was transferred during fiscal 2019 under the various Sub-Heads.

So that is one question I want to ask, because, Madam President, if the answer of the Minister is that it is not inclusive, it would mean that the interest on the overdraft will be approximately \$2 billion, because it would be 1.1 billion from the revised estimate, the \$700 million from the transfer within the fiscal 2019 and now this \$255 million we are also using to service interest on the overdraft, close to about \$2 billion in terms of payments of interest alone on the overdraft. So I want the Minister to be clear on whether or not that \$1.1 billion figure includes the \$700 million that was transferred throughout the fiscal year.

And the Minister justified where they would have gotten the money from in order to pay the overdraft within the fiscal year for \$757 million. The Minister went through some of the Sub-Heads, Madam President, from the Ministry of Finance where they would have gotten the money from. And there were some of



the Sub-Heads that I looked at, because I was given some documents that I am asked to note—so I want to note the following, Madam President.

I have noted that the Government has taken \$32 million from food cards to pay interest on overdraft. That is what they have done. They have taken out \$23 million that they are supposed to contribute to the Children's Life Fund to pay interest on the overdraft. They have taken away, Madam President, \$156 million from the Infrastructure Development Fund. For what? Interest on the overdraft. They have taken away \$215 million from the ADB, the Agricultural Development Bank. They have taken away money from TDC, from Community Improvement Services Limited. They have taken away money from private/public housing construction initiative programme, Madam President; from TTMF. These are all of the Sub-Heads that they are taking away money that will benefit the people of Trinidad and Tobago to pay interest on the overdraft and to also pay \$6.3 million to the lobbyist in Washington.

This is the same lobbyist, Madam President, that we are paying \$6.3 million for persons in this country to go to New York to ring a bell. To pose and take pictures with no real returns in this country. [*Desk thumping*] While people in this country are starving and have no food, you are taking away moneys from their food card to pay a lobbyist in Washington to ring a bell. That is what this is saying. That is what the numbers and the figures are saying in these documents that are provided to us, Madam President. That is what they are saying.

When I looked at what happened over previous years in terms of what is the interest that we pay on this overdraft, because I wanted to know whether or not this is a common figure, whether this is normal for the interest on the overdraft to be so high. I looked at fiscal 2011, the interest payment there, the actual from the *Draft*

*Estimates of Expenditure* was \$189 million; 2012, \$276 million; 2013, \$361 million; 2014, \$484 million; 2015, \$705 million; 2016, \$962 million; 2017, \$946 million; 2018, \$1.1 billion; 2019, revised estimate \$1.1 billion. Madam President, and we do not know whether or not the figure is actually \$2 billion, if the \$757 million that was transferred during the year is inclusive or exclusive of that revised estimate figure.

But that is what they boasted about. Then I remember the Minister of Finance, he spoke about the overdraft in terms of they are going to limit their use with respect to the overdraft, because of the amount of moneys that they would have collected in the tax amnesty. I believe roughly \$2 billion, he boasted that they collected on the tax amnesty. But, Madam President, today we are paying the highest interest rate ever on the overdraft which means that you have raided the overdraft, you have super-maxed the overdraft. [*Desk thumping*] That is what you have done. You super-maxed the overdraft in this country that we are now paying high interest rates on that figure.

So that is why we cannot believe what this Government is telling the population, we cannot believe it. Because they always boast they are on a path of growth and a path to development, but yet we are using—maxing out the overdraft. And you would remember that this is the same Government that chastised a UNC government for using the overdraft, but they came in 2017 and increased the borrowing on the overdraft from 15 per cent to 20 per cent. You know what that is, Madam President? That is the height of hypocrisy in this country. [*Desk thumping*] That is hypocrisy.

So you would have seen that under this Government they would have raided the HSF, they would have sent up public debt to the highest level, Madam

President. They are now forced to take moneys out of the overdraft, raided the NGC because they have been unable, Madam President.

**Madam President:** Sen. Hosein, please. Your language is intemperate, I would ask you to please rephrase how you are presenting your arguments.

**Sen. S. Hosein:** I do apologize, Madam President. But this Government, at the end of the day, has sent up public debt to the highest level ever in this country. They have failed in their fiscal management in this country, their cash flow management is poor, their governance overall is extremely poor. It is time that this Government do the honourable thing and instead of ringing the Nasdaq bell, call the election and ring the election bell, Madam President. [*Desk thumping*] Because people in this country continue to suffer. We have no faith in this administration, they will continue to borrow, borrow, and borrow without diversifying this economy.

So I say, Madam President, with these few words that I have contributed to this debate that I would like to end on the point that the people of Trinidad and Tobago will give the United National Congress the mandate to fix the mess that the PNM Government has placed this country in. I thank you very much. [*Desk thumping*]

**Sen. Dr. Varma Deyalsingh:** Thank you, Madam President, for allowing me to partake in this debate on the Bill to vary the appropriation of the sum the issue of which was authorised by the Appropriation (Financial Year 2019) Act, 2018 and varied by the Finance (Supplementary Appropriation) (Financial Year 2019) Act, 2019. Madam President, I must say I must follow Sen. Deonarine's comment that even though it is a small Bill and even Sen. Hosein said that even though it is a very small Bill with a few clauses, there is still, you know, a lot of money there.

There are a lot of issues that we have to look at, and some Members went in behind the Bill, actually, behind the savings; how did we get that savings. And, Madam President, I would like to look at the fact that, you know, when I am looking at this debate we got these explanations and transfers a bit late, I think it was last night we got the details on the transfers. So I had some time just to look over it very briefly and I would just like to make a few comments.

When I looked at the reason for this, I see really—I heard a story here of transfer of funds which the Government is entitled to transfer funds from, you know, funds that are not used from one entity to another entity. I heard a story of borrowing money and I looked at the fact that we are looking at borrowing money, which frightens me. And it exactly drew some concern from Sen. Deonarine where she looked at the fact that we are borrowing more and do we have anything in the mill to say that we are generating any sort of revenue?

Because this is the frightening thing where our future generations may be put in a situation where they are going down in a sort of level where they may be forced to either to go to the IMF or to either go to the Chinese what I would say the “Chinese dragon”, where you have to go and form certain arrangements. So it is a little concerning that we are transferring money, but yet still we would like to see that generation, what is happening, we want to see where this money is coming from. And the figure really, \$255,369,874, in the whole scope of things it may not seem like a lot of money. But the fact is this idea of loans, you are taking a loan for American dollars to pay into WASA, I think it is US 100 million was negotiated to enable the Water and Sewerage Authority to repay its revolving credit facility.

Now, Madam President, we are a small country, we are surrounded by

water, we are blessed with the tropical rainforest, we are not so blessed with the floods that we have, but there is water all around us, there is water there. And successive governments have tried to see how they can plug this gap. We have heard different governments trying to solve the situation, we know the amount of water wastage. But this is an essential element and we have no choice, Madam President, to realize that even though we are making 240 million gallons of water a lot of it is wasted. And less than 50 per cent of persons actually get a 24-hour supply, seven days a week.

So it is a failure, it has been a failure for this government, successive governments. It is a failure to the people of this country where they are not able to get this basic need. So I am hoping it can be solved, I am hoping that, somehow, down the line we can get something that can work for the citizens which is a basic need. Especially in times like this when we have the coronavirus going around, if I do not have water to wash my hands what would I do if I am in one of those areas where we are not getting that supply. So it is a danger, it is a health risk, it could lead to death obviously if this virus spreads.

So this loan, Madam President, eventually those lenders will come for their “pound of flesh” and it is our children who may have to pay this. As I looked at this Bill, I also realized that there are a lot of moneys that came from programmes, you know, things that were promised. So we have seen other avenues, other pieces of legislation that came through as Sen. Deonarine had mentioned—two years, we are looking at how could we improve the system, how can we improve services to the persons and a lot of the moneys that I saw that was not used and were not utilized. A lot of those moneys I wondered why, why were these moneys spent in their departments?

Yes, it is available for transfer and we must always be cautious that sometimes moneys are not used and the funds may be channeled into different avenues. We do not want any sort of allegation, especially in an election year, that funds may be channeled from one avenue to another avenue to help any sort of electioneering process, especially this year. So I am thinking we have to be cautious how we are getting this money.

And I looked at the explanation of the transfers and I saw some of the explanations given that some things were not used, I looked at even starting with the Judiciary where they are going to buy two vehicles for the Chief Justice and it came from payments.

**Madam President:** Sen. Deyalsingh, perhaps I can give some guidance here. The document that was circulated for the information of the Senate is there for just that. You have the Bill which is before us and the Minister in her presentation did make reference to some of the transfers. But what is before us is not to go into every single transfer that was made. It has to be relevant to the Bill at hand. Okay?

**Sen. Dr. V. Deyalsingh:** Thank you, Madam President. I just wanted to elaborate that some of the transfers I saw was exactly instances where jobs were not filled and I am saying throughout the thread—different Ministries I am thinking in times like this with unemployment. Every effort should have been made to fill these posts because people are there, they are unemployed—looking at that common thread, I am trying to appeal to the Minister of Finance also to look at certain instances. Yes, we are looking at moneys being transferred, but we have to realize the moneys came from programmes that could have benefited the country. And I am mentioning just from what Sen. Hosein said, certain vital programmes were there, the children's fund and programmes that would have really go into help the

suffering of persons.

So, I looked at the vacant posts, Madam President, I looked at different aspects of this where you have certain Ministries like national security certain things they looked at, payments for Amalgamated Security. All these are things I am thinking would get better eventually if we have the prison system that is promised to us where you would now have cameras in prison. So I am seeing certain things here that were promised would in the future not be an issue where we would have to be giving out moneys in certain instances. And I mentioned Amalgamated Security as one and I look at also the reasons for the transfer and it sounds like very commendable reasons to help the salaries for the legal aid and advisory which is much needed for our members of the public who have access to that.

I looked at also the fact that certain things concerned me, Madam President, where the reasons for savings. And one of these really that concerned was the lease rental of a building which was to be utilized by the Director of Public Prosecutions in south. And, Madam President, what I am saying as I am here every week, and I am listening sometimes to the promises of the Attorney General that we are going to get a fully functioning independent DPP's office with staff. And I am thinking that this is something that should have really been fast tracked and I saw it in page 5 of the transfers. So this is something I am little disappointed that this was not expedited because I think the country needs this.

I also looked at the fact, Madam President, that certain reasons given for savings were, things like if I looked at the Ministry of Education, and we looked at the fact that savings were utilized from the National Training Agency, National Energy Skills Centre, Accreditation Council of Trinidad and Tobago. Those

entities I think did save and it is commendable, but it looks like if you are saving and you are not spending “willy-nilly”, whatever you save is taken away from you and put into other coffers. And I think it may be unfair to those persons there who could have probably expanded their programmes are now faced with, “Hey, I have some savings in my bank, but it is taken away from me and channeled into other programmes”.

And looking at the programmes that went into the Ministry of Education, when I looked at the fact that it is to meet payments for salaries and COLA for the primary and secondary school teachers, to enable partial payments to national students enrolled in Hugh Wooding Law School, for MIC, MuST, HYPE programmes, all these things, but I am wondering.

**Madam President:** Sen. Deyalsingh, I think you have made the point but you are continuing to do what I am advising you not to do, which is to be going into detail and your whole contribution seems to be about those international transfers. And I am going to ask you please to just take my guidance and remember what the matter at hand is. Okay.

**Sen. Dr. V. Deyalsingh:** Thank you, Madam President. It is just that I am a bit perplexed and worried to see how come certain decisions were made that certain transfers were made, and it is really, it has me wondering where is the logic behind certain of these not utilizing these funds.

So I must also mention, Madam President, that looking at this Bill as I mentioned, broken promises, I mentioned hurt—personal hurt that certain things were not materialized. I even looked at sometimes slipshod accounting, because you see I listened to the debate in the Lower House and I heard that there were certain overpayments to certain members of staff, and because there were



overpayments that adjustments had to be made. And I am thinking that if in any private institution, Madam President, overpayments were made, those persons who made those overpayments would be held accountable.

So let us say there is in the accounting department whoever made overpayment of salaries, I think something should be put in place where it would not occur next year and the year after. Because any sort of overpayments that are made, any sort of errors that are made, it means at the end of the day we come here to debate and the taxpayers now will have to get that Bill—probably as they say those people probably were overworked when they made those overpayments to certain staff. But something has to be in place where overpayments would not occur again so we would not have to come in a situation where we will be trying to debate to take moneys to allocate overpayments to staff.

I also would like to look at the question of transfers, Madam President. You see when you are going to transfer money from one Sub-Head or one Head to the other, I looked at the fact that it is really now the Minister of Finance who has this portfolio. And I am thinking in 1988, I think it was the NAR government who actually changed this and I am thinking to have that power on the head of the Minister of Finance only may not be a good thing. I think it is better if there is a Cabinet responsibility, where Cabinet can decide that if moneys are going to be transferred from one Ministry to another Ministry that all will be able to take collective responsibility and not just rest solely on the Minister of Finance, who, this being election season people may look at allegations and say it is some sort of—you may be using the funds inappropriately. You may be putting the funds for your own political gain. To prevent anything like that, I am thinking it is better to have this collective Cabinet responsibility to transfer funds so any government now

will have that transparency and accountability to the people.

**4.15 p.m.**

And with this, Madam President, I would like to close this, and I am saying that I hope in future when there is any need to transfer moneys from one to another, it can be a transparent process that can occur before, let people get involved. Let it be known, let it be not the purview of the Minister of Finance only, but out in the public domain that we are taking monies from certain departments, putting it into other departments. If I knew that the generators in hospitals were not going to be allocated for, I would have objected before and said that if I am in a surgery and electricity goes, and there is no electricity, why those things are not priority, generators in hospital. So, give the public a chance to at least get involved in any transfer of funds, let them debate if there is any transfers to go if, you know, to channel money into the disabled you know, differently abled children, the special ed teachers. Give the public a chance to say, “Hey, let us go and put that money there, it may be better spent”. And this is all I am asking for, if the Minister of Finance could in future channel the funds, give the public a chance to get into debating it. Thank you. [*Desk thumping*]

**Madam President:** Minister of Public Utilities.

**The Minister of Public Utilities (Sen. The Hon. Robert Le Hunte):** Madam President, it is indeed a pleasure to join in this debate, but I must say, Madam President, it has been a very laborious task to sit in this Senate and hear some of the comments that have been made. And before I get into the debate as you said, I need to set the record straight on some of the statements that have come from the other side. You know, it is very difficult to hear people or to hear Senators use the words of “financial mismanagement”, “mess”, “diversification” when they try to

explain what it is that we have been trying to do. And talking about that and making mention, and using those words especially when we all understand what is the situation that we are presently in.

I heard a lot of conversations about the Current Account, and I also heard Sen. Deonarine making the point while it really seems that we are in a tight position from a Current Account perspective. And yes, yes, we are in a better position than we were. Yes, we are in a better position than we were four years ago, but we continue to be in a position where we are managing in light of, I agree with you, our income is no longer where it was before. The reality is world prices of our major imports where we get money from, have dropped dramatically, in some cases, as much as one-seventh where it used to be. And therefore, we do have to manage tightly the income and expenditure and that is what it is.

Now, again we talk about this Current Account. I want to remind people as was said numerous times by the Minister of Finance, when the Central Bank Governor came into his office two days afterwards and glibly talked about they only have money for two days remaining; that is where we were. I want to remind people and of course, nobody likes to hear this because you are not supposed to talk about that. I want to remind us again when people talk about that same Current Account, that that Current Account was accepted in credit \$6 billion, and it went into debit where in the time we left office we got it at negative nine. Therefore, we eat-up inside there over \$15 billion. I want us to remember, all right the amount of money that we once had in NGC, that again was just eaten up and filtered away.

So, when we find ourselves in this position, we are here because we are dealing with some forces on the outside, we are dealing with oil prices that have

plummeted. We are dealing with revenue from oil coming down from—dropping from \$20 billion to less than \$1 billion. That is the kind of management that we are in. I hear people talk about loans or Senators talk about debt, and one set of debt being accumulated. Right, you know, let us again and for the records I want to put the record straight, because you know, it is all well and good to pull things from here, there, and spill it out and then they become facts.

The reality is that the UNC Government, let us be clear, the debt under—that they inherited, the debt was \$45 billion. The UNC Government took it up to \$76 billion, the difference being \$31 billion. That is what you did, \$31 billion, that is the debt that you did, the public debt. We now have that same public debt at \$102 billion. Yes, we moved it from 76 to 102; that is 26 billion. So let us put it into context that this idea that I created all this debt and you did nothing, that is not so, it is fake news, it is not correct.

Let us also, Sen. Deonarine, as we talk about income and how we are, let us understand that the revenue that we had over a five-year period during the period 2010 to 2015 was \$265 billion, that over a five-year period is an average of \$53 billion a year. They were projected revenue using our revenue this year that we expect to get will total \$216 billion, a difference of \$49 billion. That is the level of additional expenditure with our average being 43. You know what that means? What we are really saying, at 43 billion is our average, at 43 billion, you had 49 billion more. That is one year and almost one and a half, 115 per cent more. You had a whole extra year of money to spend, and you spent, and you increased the debt to that level after you dried up the overdraft, after you took out more debt and you had more revenue to spend. “Oh gosh, stop it”, that is the reality, so when you speak you must also give all of the information.

Sen. Mark spoke again, about you know, he spoke about the debt in TGU. Spoke about TGU and if I remember he talked about \$113 million owed by TGU. Sen. Mark, again, sounds impressive, something to answer. Let us go back again, how did we get here, Sen. Mark? Why do we not tell the population why, and I will constantly continue to remind the population as to why we got here. We got here, Sen. Mark, because we built TGU at a time when we were planning to do an aluminum smelter plant. You decided to stop the aluminum smelter plant. TGU and T&TEC—yes T&TEC is owed money, yes, because T&TEC has a take or pay contract that they need to take the power whether they use it or not. If they were able to take it and sell it they were going to get over \$50 million. So really, after just—you would have been able to lick-up that debt fairly quickly. But right now T&TEC is in a position whereby their maximum peak capacity varies from 1,000 to 1.3 megawatts, 1,300 megawatts a year, all right. But they pay for 1,900 megawatts.

And therefore, we are here because again of a reckless decision taken by the UNC that was geared towards diversifying our economy, and putting us in a better position now with a lot of income, if we had gone down that road. Now, we are here talking about the debt without a diversified economy. And I have to sit and listen to people talk about or Senators speak about “diversification”. Nice word because it sounds well, but when you had a chance to diversify, people had a chance, when we in 2010 talked about diversification, when there was money and we decided to look into diversification, we set up the La Brea estate, we went into methanol. We went into LNG. All right, we changed a lot of the things. We went into the aluminum industry. When you had money and you wanted to talk about diversification and you brought it up, so I need to address it. In this debate, what

did you diversify with the money? What did you do? What was the talk about diversification? You talked about, yes, you build and I am going to hear and of course, as you will say, “I went into sports tourism”. “I set up the infrastructure for sports tourism.” Come on, come on, let us be real, let us be real.

**Madam President:** Minister, two things. You are responding I know to some of the issues that have been raised, but may I advise you that you have limited time so maybe we can get into the matter as well. Also, I just want to tell everyone the acoustics in this Chamber, a little different from where we were before so everything sounds louder. So, just giving you that little reminder.

**Sen. The Hon. R. Le Hunte:** Thank you very much, Madam President. Madam President, you know, I will, and I promise but you know, somehow or the other I cannot allow these records to go unanswered. Let me also in answering your question that you asked about the money being outstanding being T&TEC and NGC, and I will let this House know that as this is not an issue about cash flow, that the money is available and T&TEC and NGC are making the necessary arrangements as we speak, to have those bills settled.

Let me also say, again, as a private citizen or as the Ministry, I do not know how business is done or when it was that other people but we as the Minister—I as the Minister, I do not give any instructions to anyone, or get involved in the operations of the company to say who they should connect or who they should not disconnect. And therefore, I could say emphatically that I have never given those instructions about disconnecting or not disconnecting Desalcott. What I do know, and T&TEC will verify is that they do have a financial arrangement between the two companies to have that matter dealt with. Those are the facts, so bringing it here and trying to place a company that is not here to defend itself in a negative

light, I do not think that is right for a company that continues to provide useful service to the people of Trinidad and Tobago. Madam President—

**Madam President:** Minister, please. Hon. Senators, we will now suspend and return at 5.00 p.m. Minister, you have 27 minutes remaining.

**4.30 p.m.:** *Sitting suspended.*

**5.00 p.m.:** *Sitting resumed.*

[MR. VICE PRESIDENT *in the Chair*]

**Mr. Vice-President:** Minister of Public Utilities.

**Sen. The Hon. R. Le Hunte:** Thank you very much, Mr. Vice-President. You know, Mr. Vice President, as I was winding up before we went to break, I was bringing again into context where we are. And again, I know my friends on the other side do not like me to say this at all, because it just reminds them of their incompetence, and it reminds them that when they want to use the words “financial mismanagement” the public is fully aware of the level of financial mismanagement and wastage that happened between the period 2010 to 2015. It is well documented, people understand it fully. So, please I beg you, do not use those words in reference to us, a people who have tried and working in new circumstances, working in circumstances where based on external forces our income is so much less.

You know, if you will allow me, Mr. Vice-President, you know, I listened last night and I heard people talk about the change in income during the 1980s when we could all recall we went through some serious times, and during that time you hear people talk about oil prices moved from \$38 down to \$9, and all that happened during that time with regard to cutting in public servant wages and 10 per cent cuts in salaries, and all the unemployment that let even—the hardship led

to a coup in 1990, and all the adjustments. And that was because our income source dollars moved from 38 to nine.

Mr. Vice-President, we are dealing in times now that when our income at that time was oil, our major source of income now is gas. And you are looking at times where you are hearing that our gas prices, LNG prices were up in the \$14, \$15, and they are now down to \$5 and \$6. Look at the percentage drop in our major source of export earnings, and compare that to the 38 to nine that caused all the trauma during the 1980s. But what I could assure you is look at how the economy is being managed, and how we are managing the economy now compared to then.

Clearly, we continue to spend over \$10 billion on social programmes and there has been not one cut in those programmes. That is the type of caring government that you have. That is the type of caring government that you have, that is administering an adjustment programme as we had to move this economy from \$63 billion in expenditure because we could not have afforded it because income dropped to \$37 billion. That is the level of adjustments that we had to make.

On the other side I heard people talk about—and again, I have to respond because these were things that were said in the debate, talked about money and expenditure on lobbyists and whether or not we spent the right money, and whether \$6 million on a lobbyist is correct. Members, Mr. Vice-President, I want to remind this House and again remind this House, as we venture into my next topic and we talked about water, but I want to remind this House that this is a government that did not spend—I would have loved if they had spent \$6,000—\$6 million and in their mind got nothing out of it. And I assure you, we get a lot out of it.



But could you remember, what do you think about wasting \$1 billion? Try to find out how many times you could put six million into one billion and that is the amount of money that you spent on an ill-conceived project trying again to create more water, 11 million gallons of water, trying to create more water, ill-conceived, and to date we got not one drop of water out of it. For that \$1 billion, if it was properly spent in the right direction we could have gotten over 80 million gallons of water from drilling of wells and from surface water. That was the opportunity cost of wasting \$1 billion and not one ounce of money, nothing came out of this for the country. We could have put meters which we all agree, all agree, are required to meter the whole country, \$1 billion. That is what you gave up that has us in this position today, and you want to tell me about waste and want to use the words “mismanagement” and “waste” as adjectives to describe my Government’s performance.

Mr. Vice-President, I want to move on to the statements made with regard to water, and I want to spend some time because you are right, there is a big payment that is being made or a payment in the adjustments of \$255 million that relates to Desalcott. And let me again say that people talk about whether or not it is savings or not savings. Just for the edification of all, government accounting, cash flow accounting, all right, when we talk about savings, think about it as a savings in cash flow. So, if you add on the words “savings in cash flow” you will understand the word “savings” because one assumes that we understand it is cash flow. And therefore, if it is—whatever it is, so therefore, the word “savings” is indeed correct because it was a savings in the cash flow of the country. All right, that is not being smart, that is just trying to impart a little bit of knowledge on government accounting for your edification.

But you are right, the whole genesis of this came from the fact, and we continue since 1999 our simple point of Desalcott when they came in from the beginning was very simple, we do not need to be looking at this time of using desalinated water. Desalinated water is very expensive water, five times the cost of normal water or other sources of water. And therefore, if you are going to use desalinated water, we should have been exploring other sources. That was our argument since 1999. I dare say that the continued decision to want to use that type of water again is the wrong thinking that led us to the concept of the Beetham waste water project, which again was going to be wrong, conceptually wrong, and put WASA in a continued digging the nail into the financial ability of WASA, and playing into the fact that we continue to have to subsidize WASA to the tune of close to \$2 billion every year.

Mr. Vice-President, the reality of us in this country, the reality of our situation is that Trinidad and Tobago—and they talked about solutions, and the fact that we do not have water, and yes, I agree 100 per cent. The water situation in this country is something that is not acceptable. It is not acceptable. But let us understand that this water situation is not something that was created last year or two years ago. This is something that has been in existence for a very long time, and it has been in existence at a time when there was a lot of money that it could have been fixed. And money that could have been spent in the right direction to fix it, but it was not spent.

And therefore, we are and we arrive at a situation today where we have a water problem with less than 50 per cent of the population that gets water on a 24/7 basis. And I hear in the other House numbers of 72 per cent, people getting water 24/7. Mr. Vice-President, “we living in de same country, we living on de same

piece ah rock in de same island”, right. I think every citizen of this country, all right, one in seven citizens of this country will not tell you at no time in their history, that you could have gone to 10 people in a room and asked seven people if they are getting water 24/7 and they would say yes. So again, it is fake news. Pulled from here, 72 per cent sounds like a good number. It was never 72 per cent, that 72 per cent of this country at no time in its history, ever got water 24/7. Fake news, wrong information, misinformation, as per usual.

The reality is in Trinidad and Tobago, 50 per cent of the population, 50 per cent of the population gets water on a 24/7 basis during the wet season, and less than that, 30 to 40 per cent gets water during the dry season. That is the reality.

Another reality of our lives—and again, in another House I remember people speaking about a particular report and it was the Leong, the DHV Consultants and the Lee Young & Partners Report of 2000, and statements were read out of that report saying that, “desalination was the thing to go because it was quick”. Yes, the report said that, yes, the report said that, but again, it frightens me with politicians, the disingenuousness. The fact that on pages 3 and 4 of that same report, when I mentioned to support the position, and let us not argue, let us not argue. The reality is, and I said then that, and the report said that 792,000 million gallons per year of water is produced in this country, it is available. As a matter of fact, and as I reported in the other House yesterday, that number was further collaborated by the FAO and the World Bank, and by the water WRA of WASA and as a matter of fact, the number for Trinidad and Tobago because the 792,000 was for Trinidad, for Trinidad and Tobago the correct figure is 840,000 million gallons of water that is available in Trinidad and Tobago from surface and groundwater. We use 10 per cent, we use 10 per cent, and the production of that

water is one-fifth of the cost of desalinated water.

Therefore, if you have so much water, 90 per cent not being used, clearly the argument is simple. All right, you do not go around trying to solve the problem via desalination water, that is all the point that we made, and we made it since 1990, we made it since 1990, all right.

The truth of the matter is again—and that is the facts. The reality of our problem also, let us put the facts on the table. There is at present 99 million gallons of water a day is wasted in this country under the issues of NRW, 99 out of 232 million gallons that we produce, we get no revenue for. And that NRW, I want to be very clear could be divided into two categories: physical leaks, that is, leaks that you see around the road, and what we will call commercial losses. And commercial losses, again, speak to the fact that if you had a meter, there are lots of people when they have meters their bill actually goes down. In reality there are lots of people where their bill goes up, it goes up, and therefore, over 49 million gallons of water is lost whereby WASA for what they charge for, they get no revenue for it because the usage of that water is way above that figure that is being charged.

**5.15 p.m.**

The combination of that tells you that is where your solution needs to lie. The policies that have been done in the past of going after, trying to produce more water—spending more money to produce more water—will not, and assuming that if I produce the water, I will get more water to you. That is wrong. It is a wrong approach. Conceptually, it will only cost you money to do that and, therefore, fixing the problem centres around dealing with your NRW. Fixing with the problem also centres around our ability to move water to the extremities. Where

we have water is in the north-east and central. Where we have to get water to is Mayaro and Cedros. We, therefore, need to be able to move the water around. Those are the things that you need to centre your plan around if you want to fix the problem.

And, therefore, again, when it was said across there and talked again glibly about no plan—there is no plan—that is not so. These are the areas that we have been concentrating on. These are the areas—having identified the problem and looking for the most cost-effective manner to deal with it—these are the areas we have been concentrating on and, therefore we have been working assiduously on building and repairing booster stations throughout the length and breadth of Trinidad and Tobago. We have upgraded booster stations in Savonetta, we have upgraded booster stations in Mackai, South Oropouche, Paramin 1, Paramin 2, Factory Road to name a few, and I could go on and on and on and on and on, because by improving the boosters we are now in a position to move water to a lot of the places that were not there and I dare say—

**Sen. S. Hosein:** Mr. Vice-President, respectfully, 46(1). I was warned that this was not a debate regarding water.

**Mr. Vice-President:** Hon. Minister, at this point, I think you have made your point in relation to the production of water and that whole thing of what needed to be done there, and plans that were afoot. What I would ask you to do now is just tie what you are saying back to the Bill that is before us, which is dealing with the movement of funds from one Ministry to another. Continue, Minister.

**Sen. The Hon. R. Le Hunte:** Mr. Vice-President, I accept your ruling, but it is ironic that here it is, I am just responding in my mind to a statement that no plan was ever given and they do not know what was being said about the plan for water,

and here am I trying to now educate and elaborate and give them the plan and the things that were actually in place, and here I am being brought up that this— [Crosstalk] But I accept the ruling, I accept the ruling, and I am saying—but I am answering the points raised by my learned Senator about what is the problem with WASA. And, therefore, I agree and accept the fact that we do have to solve, and I would close that position by saying, we understand the problem. I have been working assiduously on the problem, and any time you want to understand the plans that are in place, I am free to share them with you and the population will see the benefits of the work that has been done over the past two years, this year, when we have done all the work that was not done before in the critical areas of deciding and dealing with the water problem. So that I will leave for you, and when you want to get it, we could talk about it.

So, Mr. Vice-President, as I said, the changes that have been identified or the movements of funds are indeed what they are. They are savings. They are cash savings. So one could use the word “cash flow savings” and, therefore, we would then understand that they are true savings that are required, especially as it relates to the WASA situation. We are about dealing with—and I reiterate the point that—the current account interest rates and the interest that are being charged. Yes, as was said, it is high, simply because we have to use debt in a prudent manner to help to be able to manage the cash flow, and that is what good debt management is about. Debt is a buffer and nothing is wrong with debt. As long as you could repay your debt, debt is a buffer and it is a management tool that we all use to help to buffer situations and to buffer cash flow management. That is what this Government has been doing in prudently managing the affairs of this country, and prudently bringing this country from the depths of financial disaster that they

got it in to the point whereby we are now in a position to be able to pass on whatever benefits that we have done that the country achieved as a result of our prudence over to the citizens.

Mr. Vice-President, with those few words, and with the clarifications given to all the questions that I have raised, I would take my seat and I support the Motion that is before us. I thank you. [*Desk thumping*]

**Sen. Taharqa Obika:** Thank you, Mr. Vice-President. It brings great honour to lead thee off in—I was about to say pristine surroundings, but from my haste to come here to the Chamber, I nearly slipped and fell on water from the leaking roof. After half a billion dollars being spent, one would have thought that would have been a problem of the past. But notwithstanding, there is no leak here at the moment so it brings great pleasure to contribute to the nation's business from this Chamber. The leak is only in the Rotunda, which is where the public will pass so, unfortunately, they would see it.

So, I want to respond firstly to the hon. Minister of Public Utilities and, Mr. Vice-President, I understand the hon. Minister's great credentials in banking, because he was my mentor in banking, so I understand his credentials and I would respect his credentials in banking. However, in politics, I think there is much to be desired, because when one considers the situation with water in the country, and saying that producing more water does not solve the problem, you know, there are many persons who have significant issues with the way in which the water crisis is being managed or mismanaged, and I would leave that there, because that is not the subject of this debate. I would confine my comments to the matters that are important to the nation regarding debt finance and areas where my former mentor in banking would be an expert on.

I want to start with that figure of \$31 billion, and whilst that figure may be correct, had the hon. Minister of Public Utilities been granted more time for his contribution, on reflection, I am sure the hon. Minister, himself being an old boy of Presentation College San Fernando like myself, would have made it his duty to inform the population that when there was a change in Government in 2010, there were two main issues that that Government was straddled with settling. The first obvious issue was the Clico debacle. I need not remind hon. Senators of the very distasteful circumstances that I cannot even mention here where you had a Minister in the Ministry of Finance in the court of public opinion being called guilty for benefiting where citizens lost significant sums of moneys, and I speak of none other than Karen Nunez- Tesheira. So that was a very unfriendly, unpeopled act that that Minister committed on the people of Trinidad and Tobago. But, more importantly, the people of Trinidad and Tobago and the taxpayer was left with a bill.

And I heard the hon. Minister of Finance, who has more credentials than the sitting Minister of Finance in finance matters, repeat the statement of the Minister of Finance from the other place of this 31 billion and, to me, it is disingenuous to repeat that figure, not in the Senate, because there was over \$10 billion—this is public record—that the incoming Government under Kamla Persad-Bissessar had to settle in terms of the Clico trust, and for other matters surrounding that Clico issue, \$9 billion. So it had almost \$20 billion that the Government had to find. And, Mr. Vice-President, you would know, we would not have that kind of money sitting around in Trinidad and Tobago. We would have made good use of it. So of that \$31 billion, you have to discount immediately—and it is sad to see that the hon. Minister has left the Chamber, because I would not want the hon. Minister



making the mistake of repeating those wholly erroneous, egregious, ignorant and uninformed statements. Okay? I retract the word “ignorant”, but uninformed statements outside of this Chamber.

**Mr. Vice-President:** Senator. So, again, as much as you have retracted the statement, just be mindful in making the statement and then retracting it in the manner in which you just did is just as bad. Try your very best not to make the statement in the first place. Continue.

**Sen. T. Obika:** I apologize. So one would not want the Minister, the hon. Minister, nor any Member of the Government to repeat those wholly erroneous statements outside of the Parliament. We would not want the media, who are present—well, at least, on camera with us—to repeat such erroneous statements as headlines, because the first issue is the \$31 billion, you have to discount all matters that arose regarding Clico, because that was a creature of the Government under Patrick Manning, a PNM administration of which several Members present on the Government Benches were part of.

There is another issue, Mr. Vice-President, before you even address the remaining \$11 billion, was the now historical record of Petrotrin—the world gas-to-liquids issue, the Ken Julien board’s misstep in being hoodwinked, in the words of the Minister of Finance, “carpet baggers”—straddling the taxpayers via Petrotrin with a debt in excess of 85—for one bond alone, because there were two—US \$85 million per annum in interest. It was interest payments and a bullet payment due which was due August last year—US \$85 million every year for five years. Now, that carries you to a situation where you have billions to pay. When you add the interest and the principal from the blended payment of the other bond of, at least, TT \$5 million over that five-year period. So you add 20 to five, so you get 25.

You only had \$6 billion left.

So, if on sober reflection the people of Trinidad and Tobago recognized that the People's Partnership Government only increased from their doing by \$6 billion, the debt net of sterilization purposes for the people of Trinidad and Tobago, then only a responsible Government Minister would come here and accept that all that they were responsible for was that \$6 billion. Because, Mr. Vice-President, only an irresponsible individual will say, on their behalf, there was a 5 billion that they were straddled with to settle salary negotiations from the last Government, but accrue to that same Government, \$25 billion arising from the Clico debacle and the Petrotrin scandal of Ken Julien's doing. So that \$25 billion, that is PNM 25 billion. [*Desk thumping*] Understand? We, the rest of the people of Trinidad and Tobago, will take the 6 billion, but PNM must claim and own that 25 billion, and let this be the last day that we have to hear from a Government Minister, especially one who should know better, on matters of finance talking about \$31 billion.

So, Mr. Vice-President—and it gets worse than that. It gets worse than that, because when you consider that they also were beneficiaries of a Heritage and Stabilisation Fund of foreign exchange reserves, which I will go into in a little more detail as I deal with the issues regarding this Bill, because this Bill is really and truly, it is speaking to one purpose. What is the purpose for which we were called to Parliament today? To approve, in essence, transfer from one Ministry to another Ministry on account of the Ministry of Public Utilities so-called savings—I would call it the deferral of payments that were due—to the Ministry of Finance requirement to settle issues regarding interest charges on the overdraft facility.

You have an Exchequer Account that is in excess of \$40 billion, and this

account has been overdrawn since 2003. So it is across administrations. From 2003 to now, this is the fourth Government in place since 2003. So, Mr. Vice-President, debt management is something that we have been managing in this country for quite some time. And, unfortunately, there is another issue that I have to correct the record with, because the hon. Minister in the Ministry of Finance, in piloting this Bill today—because I listened attentively to see whether or not the statements of the Minister of Finance would be echoed in this Chamber, but unfortunately it has found its way here through the piloting of this Bill as has the contribution of the Minister of Public Utilities.

The Minister in the Ministry of Finance made mention of the \$380 million that was paid regarding the foreign exchange, the interest rate swaps. But the Minister, in making that statement, supported the Minister of Finance because the Minister of Finance made a statement regarding the gambling, saying that the last Minister of Finance gambled on these interest rate swaps in an attempt that one can only presume was to appeal to persons—and I am not going to use the word “ignorant” but persons who are not familiar with finance, because my use of the word before was not to demean anyone, but it was mainly based on the pure purpose and meaning of the word. So persons who are not informed, Mr. Vice-President, is the word I would use on matters of finance, because you have—the last Government took two swaps; one had to do with the Chinese trading and the other with the US, and because the hon. Minister, both Ministers of Finance, Mr. Vice-President, have put that to the public, I am now tasked—we here in the Opposition are now tasked to explain to the people of Trinidad and Tobago what were the purposes of those things in the first place, in light of the fact that this Bill deals with matters that arose regarding the debt position on a cash basis of the

Government, and I would try to be as simplistic as possible.

You see, during 2010 to 2015, there was a primary concern regarding the Chinese currency. The concern was that the currency was likely to appreciate. China is emerging as a world power. They had, at that time, experienced over two decades of continuous growth annually, and it was expected or anticipated that there could be the potential for their dollar to increase relative to the currencies of our trading partners, which amounts to an appreciation and, of course, we do not have earnings in Chinese yuan. Therefore, we would have to, for use of a non-financial term, pass it through the US system. So, basically, we have to buy the US to get yuan until and unless you have a direct foreign exchange policy with the Government of China via the Central Bank, we had to purchase US to obtain yuan. So that was the general consensus. That is the Chinese component. If the Chinese yuan appreciates, you need to have a wage to hedge against that.

It is very interesting, Mr. Vice-President, that the Minister of Finance—none of the two Ministers—made any mention of that the situation, whether or not it is warranted at this time, whether they are pursuing it. They simply chose to mention the explanation for a payment and for getting out of the US situation. But a swap position has nothing to do with gambling, Mr. Vice-President. A hedge on interest rate has nothing to do with gambling per se. It may appear like gambling, but so too does a horse and a mule. They may appear similar, but they are not the same. It may appear like gambling, however, what it actually is, it is a form of mitigating against risks. So what you are doing is you are expecting there to be a significant increase in something that can negatively affect how much money you have to pay. So what you do is you hedge against it. They would use the word “bet against” to make it simple but it is not a bet necessarily. What it is, is you are protecting your

position, so if you lose on one end you do not lose your shirt.

The issue now had to do with the US exchange rate. The rates for bonds did not significantly increase. In fact, they started to decline but up until 2017, 2018, there was ample opportunity, Mr. Vice-President, for the Minister of Finance to unwind that situation. There was ample opportunity, but they waited or the Minister of Finance waited. Did the Minister of Finance get advice from senior officials at the Ministry to the contrary about waiting? Did the Minister of Finance get advice from the Central Bank to the contrary about waiting? Did the Minister of Finance seek advice? These are three questions that one must asked, and if the Minister of Finance was found to have obtained advice, then there is one conclusion that we must come to, that the Minister of Finance can be suspicious of neglect. However, if the Minister did not seek any advice, it may mean that the Minister is not even aware of the duties and responsibilities of a Minister of Finance in managing our debt situation, because a Minister of Finance must be the master of what he surveys, which is the entire portfolio of debt instruments that are available to him as a Minister.

And if, of course, the Minister waited four years and \$380 million after and did not act before when it may have been more affordable to act, we would have had to pay, but we may not have to pay as much, then it stands to reason that the Minister of Finance was derelict in his duty and should not seek to put blame where blame does not lie. The blame falls squarely with this Government and this Minister of Finance. [*Desk thumping*] Because, Mr. Vice-President, interest rate risks and so on, those are things that are not static environments, and I would not spend too much time again on this specific point, but they are not static environments. It is akin—and the whole concept of it—I would end on this part of

my contribution on this point—to buying insurance. Okay? So the Government has considerable flexibility as far as swaps are concerned and can unwind as they see fit.

But, Mr. Vice-President, if one spends \$5,000 per annum on insurance for their house and after 20 years you spent \$100,000 on insurance, did you waste that money? Was that a loss or was that prudent management of your financial resources so that if your house burns down, you can get back the \$3 million or the \$2 million or the \$1 million that was worth? Now, if you consider that if the house burns down you will lose \$1 million, then the \$100,000 was a good investment. The question was, did this Government monitor the situation that prevailed after 2015? Because you cannot ask a Minister of Finance who was Minister until 2015 September to come and help them manage their affairs unless, of course, they wanted to pay him, you know. So the reality is—as they have found it fit to pay Winston “Gypsy” Peters and Gary Griffith, because all the talent is on this side, Mr. Vice-President.

So, Mr. Vice-President, the Minister of Finance’s assertion and echoed by the Minister as well today by hon. Allyson West, basically they are saying that they do not understand the point of ensuring or hedging your position, and it cannot mean that they truly agree with what they are saying. They probably meant that no advice was sought. I need not remind this honourable House that under this very Government, they dismantled and fired all their advisors when they collapsed the Economic Development Advisory Board over a year ago.

So, Mr. Vice-President, there were some other points that were made, and I want to turn to one specific point on the Bill, because the Bill looks at Head of Expenditure 39, and a \$255 million issue regarding the Ministry of which a

significant part has to do with WASA and an arrears on a particular loan of \$56 million, at least, from the Minister of Finance's statement. And it begs the question, Mr. Vice-President, because when one looks at the Auditor General's Report of the letters of credit and the loans and guarantees of the Government to state agencies, you see a number of loans to WASA. It begs the question, specifically, what exactly was in arrears? How current would WASA be on this particular facility or is WASA also not current on other facilities? Because whilst WASA may not necessarily be an institution that can suffer reputational loss when it is looking for financing, because it depends on the full faith of the Treasury of Trinidad and Tobago, it begs a broader question, what of the other state agencies that are managed by the State? All right?

And I want to promise to the people of Trinidad and Tobago that we would be further interrogating this question of arrears of state enterprises as the session continues.

**5.45 p.m.**

Now, Mr. Vice-President, the Minister of Finance also in piloting placed as a justification for this challenge with the overdraft facility and, thus, this transfer to the Ministry of Finance as the lower than projected revenue from taxes and specifically from the energy sector. Looming large in the presentation of the Minister of Finance, looming large in the presentation of the Minister in the Ministry of Finance as well, was the fact that Petrotrin was closed down under their term in office and as a result of that a large number of companies that are involved in the refinery operations have also realized a significant decline in their earnings. There are many contractors who would tell you 40 per cent, 60 per cent hardware owners and persons who provide a large part of their business to the

energy sector through Petrotrin, through the refinery, lost significant parts of their business. So when this Government, ill-advised as it was, closed down Petrotrin, shut the refinery, what they did in one blow, Mr. Vice-President, was to act as a death knell to the very taxes that the taxpayer depends on, the very taxes that the citizen depends on for health care, the very taxes that the citizen depends on for education, [*Desk thumping*] and therefore it comes as no surprise.

If I were to reference one note, Mr. Vice-President, one note from the 10 pages of notes that was given to us at this time that they have starved the Trinidad and Tobago Hospitality and Tourism Institute of \$1.27 million in funding, saying that private companies are giving them money so they do not need Government funds anymore, which has resulted in, from this one note that I am referencing, which has resulted in over 200 students in Trinidad and Tobago being denied access to tertiary level education. This Government should be ashamed of themselves. This is a dastardly act that of course is connected directly to the closure of Petrotrin.

Now, Mr. Vice-President, the Minister of Finance dedicated at least 10 per cent of her time speaking to some of these transfers merely to give a picture of the impact of it. So I want to give a picture of the impact of those transfers, and just about two minutes I would take on that, with your guidance of course, because there are two areas when you look at these transfers in particular to where the Ministry of Finance is concerned and the Ministry of Education that negatively affects the welfare and the well-being of the citizens of this county. And one has to do with the households, because when you take away \$23.7 million from the Children's Life Fund, \$32 million from the food price support programme, \$12 million from VSEP for the Central Tenders Board, Mr. Vice-President, \$25 million



from ADB, \$120 million from the Trinidad and Tobago Mortgage Finance Company, \$26.1 million from the Tourism Development Company, \$20 million from the farmers incentive programme, \$37.8 million from the business stimulus programme and \$50 million—

**Mr. Vice-President:** Senator, one second. As much as there was some talk in the debate thus far in relation to transfers, what it is, is that the Senate document that was circulated is not for debate. It is for information purposes. Mainly what is for the debate is the Bill that is in front of us which speaks to the transfer from the Ministry of Public Utilities to the Ministry of Finance.

So when you dive into the Senate document that particular part of it is not allowed. If you are generally dealing with the idea of transfers as has been raised in the debate thus far, that is fine but going deeply into the Senate document that part is not allowed, we are dealing with the Bill that is in front of us. Continue.

**Sen. T. Obika:** Thanks, Mr. Vice-President. The Minister of Finance made reference to specific actual transfers and tried to paint a picture of prudent financial management, but I am showing how imprudent it was. So basically what I am doing is the last one I will just put is CDB and the Caribbean Development Fund; COSTAATT, \$8 million, and NESC, \$6.5 million. What that shows you is this, the energy sector, via their approach to these transfers, they have robbed the energy sector of in excess of \$40 million. Via this they have robbed the home construction and the home mortgage market of over \$200 million. Via this they have taken money directly, Mr. Vice-President—they have taken food from the mouth of “babes and sucklings”, by taking money away from the Children’s Life Fund and the food price support programme.

This Bill, Mr. Vice-President, and the supporting notes, is showing where

the priority for prudent management lies in this Government. It does not lie with the households, the children, the small business to medium business sector, education sector, energy skills acquisition sector, the tourism and hospitality training sector. So all the areas where the citizens of this country, Mr. Vice-President, can benefit, they have been denied, and that is why I said at the beginning that finance credentials do not necessarily mean good political credentials, because what matters to the people is not simply that the books balance. Books always balance; accounting books always balance. Whether it balances with borrowings or with surpluses, deficits or surpluses, is a matter for the accountant. But what is important to the citizens of the country is the future and welfare and well-being of their family, themselves, their community and the nation, and by simply coming to ask for an increase in the overdraft facility—Mr. Vice-President, what I am saying in a nutshell is this, if we were coming here to this House to talk about an increase in the overdraft facility but they maintained the money for ADB so farmers would get money, but they maintained the money for—just \$1.2 million they could not give, you know. Mr. Vice-President, that is wickedness to the hospitality and tourism students.

If they had maintained that, the \$6 million for NESCC, if they had maintained that so that students can acquire energy skills [*Desk thumping*] because they closed down in Point Fortin, Moruga, and Palo Seco, the energy skills centres. The point I am making is, if by this debate and the supporting notes to the Bill we were seeing that they had to borrow to keep education running in this country, they had to borrow to keep medicines available in the hospital, they had to borrow to keep farmers engaged, they had to borrow because they needed to spend that \$50 million on the public-private housing construction programme to give people

shelter in this country, we would have been happy to participate in this debate. But what they are doing is, we are coming here to say that, “Well, they ran over the overdraft”, Mr. Vice-President, and then you are hearing that one senior Government official after five years would have benefited over \$100 million in rent, that angers the citizens of this country. [*Desk thumping*] That angers the citizens of this country.

So if the citizens were hearing, “We come here to give them \$1 billion. Yes, we are fighting for them to get resources”, but we are fighting to transfer this money so that one senior Government official could get the \$100 million after five years in rent, because that is what it amounts to. That is what this entire process amounts to unfortunately. Mr. Vice-President, I want to turn to the bountiful harvest that this Government received from the People’s Partnership Government in the form of the Heritage and Stabilisation Fund. [*Desk thumping*] It is because of that Heritage and Stabilisation Fund, Mr. Vice-President, that we are speaking of a quarter billion dollars today and not possibly \$1 billion in overdraft interest and other charges. The HSF, TT \$8 billion was added to the Heritage and Stabilisation Fund from 2010 to 2015. The HSF itself grew by TT \$17.77 billion, US \$2.62 billion over that period. Of course the source would be the quarterly report of the HSF produced by the Ministry of Finance.

Under this Government, Mr. Vice-President, from two drawings only, half of the money, more than half of the money that was deposited in the HSF by the People’s Partnership Government was withdrawn, \$4.26 billion. Now, if they had even taken out \$8 billion but by doing that you kept children in hotel schools, by doing that you kept medicine in the hospitals, we would say, okay. If by taking out even \$8 billion—

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

**Sen. T. Obika:** Thank you, Mr. Vice-President. It would have resulted in our school children having laptops in their book bags, Mr. Vice-President, Internet, Wi-Fi Internet at school, we would have said, okay, but you take away \$4 billion but you are still cutting back money from school children. You are still cutting back money from skills acquisition centres in NESC and hotel schools, and so on. Mr. Vice-President, it is reprehensible in the least that we must come here and examine the skewed priorities of this Government, but we must.

Mr. Vice-President, I want to turn to the specifics of the T&TEC credit facility. Now, the Trinidad and Tobago Electricity Commission has a facility with Republic Bank, US \$250-plus million, and this loan straddles two Governments. It started off as a letter of credit; this is one of the primary credit facilities that forms the basis of this Bill. It started off as a letter of credit in the fiscal year 2015 and which was the final year of the People's Partnership Government in the form of a bridging loan, but the deed of guarantee was only effected in May 2018. Now, there is an issue where that is concerned because one would have hoped, Mr. Vice-President, that the Government would have given a little more detail as to what is the balance due on the facility, what would have been the rate of interest, and so on, the conditions of the facility. So that by giving us the information we could come to our own full appreciation of what were the circumstances that resulted in \$1 million less being paid on this facility, because one way in which you can reduce the amount of principal that you pay on a facility, Mr. Vice-President, is to increase the amount of payments you make per year.

So, for instance, if it was a semi-annual payment, so you pay one every six months and then you are paying it now every quarter, you would pay less principal

payments, and so on. The issue now would be what exactly was the mechanisms of it. It is good sometimes for full disclosure. It may seem pedantic, but it is good sometimes for full disclosure to have an absence of doubt so that we can understand because you would shudder to believe that the reason for less payments of principal was because you missed a payment. You do not want speculation to creep in, you want to be sure that it is really just from a refinancing of the existing facility.

So, Mr. Vice-President, I want to close where I began, the overdraft facility, the Exchequer is at \$40 billion. Through this presentation today and yesterday the Government made no clear direction as how they will address any aspect of the Exchequer Account being negatively overdrawn. The \$31 billion is a fiction of the PNM's imagination because \$25 billion of that was created from Clico, which is \$20 billion and Petrotrin through the Ken Julien failings regarding WGTL. So it is only \$6 billion that they could pin on the People's Partnership government, the rest, using the words of their political leader, the over \$25 billion must bolt to their chest as their responsibility for their failings in office. I thank you, Mr. Vice-President. [*Desk thumping*]

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

**Sen. Anita Haynes:** Thank you, Mr. Vice-President, for the opportunity to intervene on this Finance (Variation of Appropriation) Bill as we close off the financial year 2019. Mr. Vice-President, I want to start off with a reflection on our budgetary process and the reason it is designed the way that it is. It is meant to be a time when you look at the Appropriation Bill for the Government to account to the population for how they intend to spend our money and how they would have spent our money in the previous fiscal year, and Government accountability on

how they utilize our finances is a critical element of our democracy and one that ought not to be trifled with at all. Mr. Vice-President, we have told via the Bill that a sum was reduced from the Ministry of Public Utilities, \$200-plus million, and the Ministry of Finance was the beneficiary of the increase so we are varying the appropriation, and I took very careful note of your guidance regarding the transfers that they ought to be mentioned but not debated, which I understand and I acknowledge.

The Minister in the Ministry of Finance, as she opened the debate today, stated, which was much to my delight, that the money was reprioritized so the transfers were approved and they reflected the reordering of priorities by the Ministry, as the words of the Minister of Finance as we began the debate this afternoon. So I looked through the document before us and not in all occasions was it in fact a reordering of priorities. In some instances, and if you will allow me very briefly to mention two of those instances, Madam President, it is just blatant incompetence, it was not a reordering of priorities at all. If you look to the private-public housing construction incentive programme the \$50 million that was allocated was not spent because there was a failure to develop policy guidelines so that the programme could not be implemented. That is not a reordering of any priority; that is a failure to implement a project that you promised, [*Desk thumping*] and the failure is because you could not, in a year, develop policy guidelines.

[MADAM PRESIDENT *in the Chair*]

So it was not anything else, is that you could not develop policy guidelines to implement a project. Similarly if you look at the IDF, the programmes just could not be implemented. No reason why, they just could not do it. And so when

we say, Madam President, that this is a Government of announcements and no implementation, their own document proves us to be very correct. And as we look through—and my concern from the beginning when I looked at the document was what was going on at the Ministry of Finance, because looking—[*Interruption*] Thank you, welcome back, Madam President. So when you look at the Ministry of Finance, which is the beneficiary of the increase as per the Bill before us, there is a very interesting reason for transfer which is to effect the payment to a certain lobby group in Washington DC. Now, Madam President, in a very exuberant presentation by the Minister of Public Utilities who, I think, 2020 has given him some new energy to talk about all things except his portfolio, he raised the point today that why are we so concerned about \$6 million to a lobbying firm in DC; the question of the lobbyist firm, why are we raising this question of the \$6 million.

So, Madam President, I am going to use my time today, and I do not intend to detain the Senate very long, but I am going to explain to the Minister of Public Utilities, and again very focused on the Ministry of Finance which is the beneficiary of the increase in the Bill that is before us, why we have some concerns about your particular use of the lobby firms. Now, I think my colleagues who went before me did very well to detail what our interests were in various areas and Sen. Mark did in fact raise the lobby firm but the legality of the contract, et cetera. Those of us who have any experience in the United States and with the US system of government understands what is the purpose and the role of a lobbying firm. It is unusual for a country to use a lobbying firm simply because firms are used to exert influence on elected members of Congress—well, elected members of the US system of government, whereas if you are a nation, a country like Trinidad and Tobago, you are, I think, are expected to use your foreign affairs apparatus, your

embassies, et cetera, and presumably we have a Minister of Foreign Affairs and there are certain work that can be done via the Ministry of Foreign Affairs. And therefore the question comes to us: What is the role of this lobbying firm to the tune of the \$6 million and the increase that the Ministry of Finance would have needed?

Now, this is not the first mention we have of this lobbying firm. They would have been in the news since 2016, 2017, et cetera, and these are my questions, Madam President. So each firm has to register with the DOJ, the US Department for Justice pursuant to their Foreign Agents Registration Act of 1938, they have to register what is the work they are doing. If you look at the website of the group mentioned in the document, the group that is going to receive this money and has been receiving money from the Government of the Republic of Trinidad and Tobago since 2016, Trinidad and Tobago is the only country listed as a client. All other clients are companies and corporations who would need lobbying for whatever reason, but Trinidad and Tobago is the only country that is listed here. Prior to this the same firm was engaged by Bermuda at a fraction of the cost, Madam President, at a fraction of the cost at which Trinidad and Tobago retained the exact same firm. But here is why we have questions, and this is very specific for the Minister of Public Utilities as why we are raising the questions. The lobby—[*Interruption*] Well, I will get to the issues that you are dealing with because I have—registered by the company would be all of the things that they would have done for Trinidad and Tobago because the accountability—this is a private company and they have to account once you are dealing with a country and they have to account for what types of lobbying they are doing. But—

**Sen. West:** What would be the relevance of this line of—



**Sen. Ameen:** Responding to Le Hunte.

**Madam President:** Sen. Ameen, thank you. May I, please? [*Interruption*] Yes. Sen. Haynes, you are spending a lot of time—I know that you are responding but your response needs to be a little more succinct because you need to get to what is the matter at hand. Okay?

**Sen. A. Haynes:** Thank you, Madam President. It is really I am using that much time to explain the details of it so that people would not get lost in the system because it is a different system than what we are accustomed to.

So I can go through this a little bit quicker for you. In 2019, and I have no problem putting the documents in the public, the firm would have listed out what was the work done for Trinidad and Tobago. There were four meetings with democratic members of the Congress and the Senate in the United States. Anybody paying attention to global politics now, Madam President, understands that in the United States there is a Republican President, a Republican Senate and as for 2019, which would be three years on from when this firm was hired by the Government of the Republic of Trinidad and Tobago, presumably, that you would have had a Republican Congress as of 2019. Prior to that it was—sorry, a Democratic Congress as of 2019, there would have been a Republican—

**Madam President:** Sen. Haynes, you are really now losing me. I am trying to, you know, understand where you are going but I think you need to get to the point. You need to get to the point. I think everyone here understands the history and the dynamics of politics elsewhere so just, can you get to the point, please?

**Sen. A. Haynes:** Absolutely. [*Interruption*] The firm that was hired is a Democratic lobbying firm. So who are you paying \$6 million to lobby? And why are you not using the embassies in Washington DC to set up these meetings as

opposed to using a lobbying firm?

Madam President, if you look at the fees that are ordinarily charged by this said same lobbying firm, what is being paid out by Trinidad and Tobago is a windfall. They do not make that much money doing the work that they do, so how is it—and these are the questions that I will ask very pointedly to the Minister of Finance because, as I said, this money is allocated to the Ministry of Finance in the Bill before us. The increase is for the Ministry of Finance, and that is where we are going with this; what was the procurement process to get to this particular lobbying firm? As a country Trinidad and Tobago needed to look overall at the political landscape and if you had to use a lobbying firm, and I do not accept that we needed a lobbying firm, you needed to pick one that can lobby the majority of the United States Government, which at this time is Republican and not democrat. And is it that the Government as they are now is in some way hedging over personalities that they may like to meet as opposed to putting our foreign relations interest at the top of the priority? Madam President, when you look at the reporting from the group DC LLC, there was only one trip to Trinidad and Tobago in 2019; they listed that here.

**6.15 p.m.**

Madam President, if you look at the website, the key element of the group rather is they are not really keenly—[*Interruption*]

**Sen. Gopee-Scoon:** Point of order, 46(1).

**Madam President:** Sen. Haynes, I am going to give you one last chance to just wrap up on this point please, and make other points as you move along.

**Sen. A. Haynes:** Absolutely, Madam President. You know it is very interesting that it is a former Minister of Foreign Affairs who did not engage a lobbying firm

as the Minister of Foreign Affairs, [*Desk thumping*] but used the Ministry of Foreign and Caricom Affairs to do this kind of work that is finding fault with the argument now. But the six—

**Sen. S. Hosein:** She was holding tightly to Obama.

**Sen. A. Haynes:** But the \$6 million—“dey like de Democrats”.

**Madam President:** Senators, please, please. Please let us not go down that path. Okay, Sen. Hosein? Sen. Haynes, continue.

**Sen. A. Haynes:** Thank you, Madam President. It is important when accounting to the people of Trinidad and Tobago to tell us why you needed this \$6 million. It may not seem like a lot to them, but it seems like a lot to the people who have lost the food cards. And when you are thinking about lobbying firms, are we getting value for money from this money that is being spent, or is it the fact that this firm’s priority is in fact in political consultations and political strategy, political communication, as opposed to being a lobby firm? So they have a lot of questions to answer about why they engaged this particular firm. They have engaged this firm since 2016. You are seeing money being meted out. Again, Sen. Mark raised the question, but I think the onus is on the Government to explain to the people of Trinidad and Tobago where is the Ministry of Foreign and Caricom Affairs in our foreign policy and why are we engaging a lobbying firm to do the work of the Ministry.

I thank you.

**Sen. Khadijah Ameen:** Thank you very much, Madam President. I want to thank you for this opportunity. I expected to wrap up the debate on the Opposition Bench, but I really did not expect it to be so early. Unfortunately, it is because the Government does not seem to be in a position to defend itself and this transfer of

moneys in this Appropriation Bill that is before the Senate. They have done a poor job of debating today. [*Desk thumping*] And I believe that it is because they themselves are unconvinced of their own narrative of their own stories. [*Desk thumping*]

Madam President, I listened to the lacklustre debate on the other side, and it reminds me of a little story of African origin. It says that when a cow gives milk, the whole village could feed from it. But the cow does not make much noise, it does not make any noise. But when a hen lays an egg, it lays just one egg, and that egg could barely feed one child, but it crows and the chicken—the fowl crows and makes a lot of noise for the whole village to hear and for the whole village to know that it laid an egg. But if you grew up in the countryside like I did, you know as well in addition to the hens that lay eggs, you have what you call a barren hen, a hen that is unable to lay an egg, but it would sit on the egg of another hen or on no egg at all and make all the noise as if it has laid an egg. The PNM reminds me today of that barren hen, all noise, all talk, no performance, zero performance. [*Desk thumping*]

Madam President, the bulk of these transfers are because of the PNM's failure to implement what it promised to the people of Trinidad and Tobago. In a number of key areas I am very concerned. There are two categories for their reasons and in fact what they call savings, that really fall into two categories. One is incompetence and one has to be—guide me, Madam President, if it is parliamentary to say “wickedness”—because when you have a reduction in the number of people meeting the criteria for food cards because they changed the criteria to cause them to “save” \$32 million, it means that there is \$32 million less going to feed poor, hungry people in Trinidad and Tobago. That is their

achievement. When this Government is allowing people to die, young children to die, because they are suppressing funds from being spent in the Children's Life Fund, to come and beat their chest and say they saved \$23,700,000. That has to be wickedness.

When one of their achievements is saving money because they failed to relocate and regularize squatters, that is neglect for the social needs of the people of Trinidad and Tobago. And that, Madam President, seems to be a common thread in almost every area that the Government claims they have a savings.

It is not a savings if the Government makes a promise in their manifesto in 2015; makes a promise in their subsequent budget, and then fails to deliver on those promises because there was failure to conduct a survey. There was failure to get Cabinet approval. How much money Cabinet approval costing "yuh"? "Yuh" talking about saving and suppressing funds, you have a delay in recruitment for key programmes that the Government promised.

We talk about crime fighting as a major issue, yet you can see in national security, in the prison service there is a delay in recruiting. In a number of Ministries there is this delay in recruiting.

**Madam President:** Sen. Ameen, you are five minutes into your contribution, and I have to caution you the way I have been cautioning other speakers. What is before us, there is information that has been circulated by the Ministry of Finance for information, talking about transfers within Ministries. The Bill that is before us is dealing with transfers from one Ministry to another. So you cannot spend—I will ask you not to spend all your time talking about the document that was circulated for the information of Members.

**Sen. K. Ameen:** Thank you, Madam President. There is an area of concern that I

have, and with your permission I want to take this opportunity to plead with the Government. I know they do not have much time in this term, but if you would allow me, this is a matter I have spoken about before, where the Government's priority is, with regard to crime fighting, the link with unemployment and opportunities for young people and education. These are areas that I have seen a significant imbalance in the Government's priority in spending.

In a number of instances there are matters that are easy to calculate, so that—I will use an example out of the air. If you have schools where teachers receive salaries, you know the number of teachers in the schools. You know they have 12 months' salary to get for the year. You can easily calculate the amount of money you would need to pay the salaries. But if you are having a significant deficiency, it has to be poor planning.

Schools are critical in the life of our young people, and I have seen a pattern where schools and education and educational facilities seem to be poorly budgeted for. This matter I spoke about when we had the budget debate, and it seems to be continuing. I want to take the opportunity to plead with the Government—I know the Minister of Education is not here, but I am sure that the Ministers also follow the debate.

The Opposition did point out that the Government had significantly under-budgeted for key areas, such as security in schools, teachers' salaries, the School Feeding Programme and so on. Now the Government is in a position where they have to take moneys from other areas to supplement those votes, and I think that is poor planning.

I am concerned, Madam President, about the technical and vocational areas that would occupy young people and provide opportunities for them. There are a

number of government-funded programmes and activities that have been reprioritized in this Bill. The establishment of HYPE centres in Diego Martin, Arima, Pointe-a-Pierre, St. Madeleine, Laventille, a number of these technical and vocational centres have been shelved. That I feel is a tragedy that would cost us more in the long run because of the denial of opportunities to our young people, and because we are in a situation where we are speaking of saving our young people from the scourge of crime, from social neglect and social decay.

We are in a situation where unemployment is one of the hot topics in this country. After crime, anywhere you go and you meet people and they have a personal concern that they want to share with you, in many cases it is unemployment. You know, sadly, in many of the constituencies represented by the PNM, the youth are crying out because of lack of employment and lack of opportunities by this Government. Yet we have the Government in critical Ministries such as the Ministry of Labour and Small Enterprise Development doing what you call reprioritizing, but essentially it means that the Minister of Labour and Small Enterprise Development on the next opportunity to report to this Parliament and anywhere in the public domain, will have to say that the things she and her Ministry laid out in the budget, the things that they promised in the manifesto, they could not achieve.

They could not do the determination of the impact of the minimum wage level on the economy, which is a study that would inform the Government on whether to increase the minimum wage or not. The Government did increase the minimum wage, and many people who receive minimum wage are happy about that, but here now I am wondering on what basis. If the Minister was unable to conduct this study to advise the Government, did they just do it on “vaps”? Did

they just come to Parliament to put that in the budget as a form of “mamaguy” to the people of Trinidad and Tobago, because they know that an election is due in 2020?

But there are a number of other key matters that fall within this Ministry that I feel would have a negative impact on this country’s ability to create employment and to create meaningful employment based on data. The development of a modernized labour market information system, cooperative development and strengthening programme, the development of a child labour policy, and there are much more. But I know the Minister of Labour and Small Enterprise Development speaks very passionately about these things. I am disappointed that Minister was not able to contribute today, but then I could imagine the disappointment she herself must feel to have to come to say, “We could not deliver these things. We could not deliver these key things to improve employment in Trinidad and Tobago.” Again, a failure for the Government, and it is listed as reasons for savings. That is their explanation.

Another Minister I would have liked to hear from today is the Minister of Rural Development and Local Government. You know my passion is in local government.

**Madam President:** Sen. Ameen, please, I would ask you to please take my guidance, my advice on how to proceed with your contribution, okay. But you are just veering off and you are not dealing with the matter at hand, okay.

**Sen. K. Ameen:** Madam President, I am so sorry that you put a pause at me when I was going to talk about local government, because as I said that is an area of passion. I served in local government for 10 years. The concern is the Government’s priority that has brought us to this Bill. The concern is, and I am



not going into the details of the document that was sent to us to explain. What I am pointing out is the Government's priority and the principles that they seem to adopt, that would lead to the changes that are made in this Appropriation Bill. So while the Appropriation Bill itself would speak about a particular Head in Ministry of Finance and Ministry of Public Utilities, I am hoping that the principles that allow the Government to make this decision could be examined by the nation during this debate.

Madam President, because you stopped me, I would have to spare the Minister of Rural Development and Local Government, but I just want to say for the record that I am disappointed that a number of key promises in local government are yet to be implemented. There has been a lot of "mamaguy" and talk, but you are seeing a lot of deficiencies and inefficiencies. I do not know "who running de Ministry", but when I hear the Minister of Rural Development and Local Government talks he sounds so willing and so genuine, and then you hear "no money", "no funds", and at the end of the day you see a savings because the Government has a principle of suppression of funds, where the Ministry of Finance fails to release funding for critical Items across the board, in all Ministries. Deprive state agencies and Ministries of moneys to do what they are supposed to do, and then report it as a savings.

I question when in the last financial year I saw councillors evicted from their offices because they could not pay rent. I saw a number of corporations faced with tremendous flooding, and they did not have the funding to deal with it, and then I see savings in the Ministry of Rural Development and Local Government.

What I think the Government is doing in this Bill, in a number of instances, is kicking the can down the road. [*Desk thumping*] They are kicking the can down

the road for somebody else to deal with it. And a classic example is in the Ministry of Public Utilities. The Minister of Public Utilities stood up here and he spoke with such vigour. You know, in his Ministry, and in fact that is in the Bill under the Public Utilities Head. You know, one of the reasons for saving is because the Government had allocated money to do certain things in WASA, and then they took a loan to do that same thing, and they consider that a saving. What you have essentially done, when you take a loan you have to pay it back. You are kicking the can down the road for somebody else to deal with it. You are suppressing funding and calling that savings.

I hear this Minister speak, I do not know who he is shouting at. He came here in a quarrelling mood and, you know, one of the things that I found significant about his contribution was that he was speaking as though he was complaining about the ills in WASA that prevent efficient water distribution in this country, about the ills in T&TEC. You are coming here after four and half years to complain to us. You are in government, you are in charge, and you have failed to deliver on water and lights in this country. But you come here and you are outlining all the problems. For who to fix, the Opposition? The Opposition will be fixing it shortly, because very soon we will be on that side and they will be on this side. [*Desk thumping*]

One of the things I want to also mention in response to the Minister of Public Utilities, he spoke very briefly and he said, you know, “Yeah, yeah, you put in the infrastructure for sports tourism”, and he was speaking in a dismissive manner about the People’s Partnership’s achievements in sporting infrastructure in this country that would lead to sporting tourism. In so doing, he is actually acknowledging the fact that the infrastructure put in by the People’s Partnership

would lead to successful income-generating activities in sports tourism. And that includes the tennis centre at Tacarigua, the National Aquatic Centre and the National Cycling Centre in Couva. This weekend I attended the national secondary schools swim meet at the National Aquatic Centre, which is a state-of-the-art facility, Olympic-sized pool, and there are issues at that facility already to the extent where the children are swimming in ice-cold water, because it seems as though the warmer is down, and this is a new facility and because of, I suppose, poor management or poor maintenance—

**Madam President:** Sen. Ameen, I really have to— please, I am asking you that this be the last time that I have to say this to you, but you need, I think, to wrap up your contribution now, because you are no longer speaking on the Bill at all.

**Sen. K. Ameen:** Thank you. Madam President, as I said I was responding to the Minister—

**Madam President:** Please, I know what you said, I have been listening attentively. But I have to tell you that you are way beyond responding to whatever the Minister said, and now you are completely on a frolic of your own, and not dealing with the matter at hand. Please.

**Sen. K. Ameen:** Madam President, I will stop there. I just raised the matter to ask the Minister of Public Utilities that he cannot have this attitude towards sports and sports tourism and want to be part of a government. If you are part of a government, you have to care for the needs and the interest of the people. That remark made by that Minister is not deserving as a remark to be made to the people of this country. [*Desk thumping*]

So, Madam President, because of the way the Bill is framed and because of the restrictions that may be considered in terms of what is relevant to the Bill, there

might be restrictions on the debate, but this is an opportunity for the people of Trinidad and Tobago to re-examine the spending priorities of this Government. There is a saying that I remember from my grandmother, “all fur coat and no petticoat”. So it is about things that look pretty and look good, but the things that are meaningful to the lives of the people of this country, where it comes to the moral fabric, the social fabric of this country, reaching those who are most in need, the Government is falling down, and they are neglecting it.

I do not think this Government could last a next budget, so this may very well be the last time we have a discussion on Government Finance Bill, but I think the Government has had enough time to prove itself and it has failed miserably.

Thank you, Madam President.

**The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan):** Thank you very much, Madam President. I join this debate to make an extremely short intervention, and I accentuate the words “extremely short”. For several reasons I am short because my voice is giving me some problems, and secondly, I just want to make sure “meh knocks still in” in terms of debating.

But having said that, today is the 28<sup>th</sup> of January, 2020. It is nice to be back at the Red House. I had the honour to serve here, now with the other Chamber from 2002 to 2007. Today is indeed a historic day for the people of Trinidad and Tobago, for the Members of Parliament, both from the House of Representatives and from this Senate.

But January 01, 2020, you know everybody forgets. The vision of this country in 2002/2003 was to make Trinidad and Tobago a developed country by the year 2020. It was the mantra that was sung and practised by the Manning administration of the People’s National Movement. We were well on a trajectory

to make significant parts of that happen, because you do not get up one morning and you are a developed country, but there is a progression, and we were along the right path. I make the statement in this appropriation discussion because this is the last Act so to speak of the 2019 budget, because every budget must be put into a policy framework.

For those of you, and I know my Senators at the end of the Bench there, remember the days of the five-year development plan. The days of Frank Barsotti and Frank Rampersad, and all these illustrious Permanent Secretaries in the Ministry of Finance. Under the stewardship of Dr. Williams there was a five-year development plan, and the budget was part of that process as we moved into that scenario. The Chinese are still doing it today with five-year development plans, and look where their economy is.

But then came the articulated vision of a PNM political leader to say, “Let us take a quantum leap. Let us set a vision for this country so that we can differentiate ourselves in our space.” It had widespread discussion. Dr. Bhoewarie was on the committee, you know, the Member of Parliament for Caroni Central now. The chairman was Arthur Lok Jack, an illustrious businessman. There were scores and scores of scholars and practitioners in every aspect of the economic life of Trinidad and Tobago on that committee. We prepared documents and we started to roll out the plan. Oil prices were high, gas prices were high, and so to speak things were going fairly smoothly.

Whatever happened in 2010 politically happened, but for those of you who have heard me speak, I always talk about continuity of policy. The three areas that I always say must have continuity is foreign affairs, energy and national security. There is very little room to manoeuvre there, because the policies that this

administration puts in energy has to be continued because you are dealing with big multinationals. The policy that you articulate in foreign affairs has to have continuity, and the policy that you put in place for crime and criminality has to be continued.

The point I want to put on record, I have made it earlier in this term, but I want to put it on the record again, something fundamentally went wrong in the years 2010 to 2015. I shared this story I think in 2016 or sometime. I am not sure if some of the newer Independents heard it. But in 2011, I was chairman of the PNM at the time, I got a call from a senior public servant in the Ministry of Planning and Development. It was called “Planning and Sustainable Development”. He said, “Mr. Khan, I want to tell you that we have been instructed to dump all the documents of *Vision 2020*.”

A UNC administration, such a profound and robust document. If you wanted to tweak it, tweak it. If you wanted to dispense part of it, do that, but they were instructed to dump the entire portfolio for *Vision 2020*. I had a Toyota Hilux pick-up at the time. They said, “Come down now and collect it before it goes to the La Basse in Beetham.” I was in Balisier House. I got one of the helpers there to come with “we”. We went down into the basement in the Ministry of Planning. We loaded up hundreds of CDs, booklets, papers and the actual *Vision 2020* document itself. It is still archived at Balisier House as we speak.

**6.45 p.m.**

So without that you were budgeting in a vacuum, that is why the UNC could have spent such significant sums of money outside of a policy framework with nothing to show, and if that does not go down as one of the greatest travesties in this country, I do not know what has. [*Desk thumping*]

And I make the point here today because we are wrapping up 2019 budget to speak, because a country, we are now in a new environment, the President, so I do not want to bring the President in the debate, but she said, parliamentarians have to come together to help build this country. And if you had a profound document like *Vision 2020* and you could not see its value, all you saw was that it was a PNM document. It was not written by the leadership of the PNM, you know, it was written by technocrats, scholars and practitioners in the economy.

And, Madam President, and I said I will be brief, one of my pet peeves by political career is that incident. I think about it every day, I hurt about it very regularly because this country has regressed and regressed significantly because of that single act. And I just wanted to make the point today, Madam President, that to go on the records in this new House in this new Senate to make that point so that the nation will know the truth as to what had happened with *Vision 2020*.

Today, this administration and our party has a *Vision 2030*. If I should say so myself, it has piggybacked a great deal on *Vision 2020*, we did not reinvent the wheel, we basically spread it out 10 more years because we lost that five years under the UNC, you did not lose five years, you know, you lose 15 years in the development process in Trinidad and Tobago, and these are some of the things that are done that hurt a country, that hurt a country because when you do these things it does not raise red flag immediately, you know. Nobody knew I took my Hilux van, came down to planning and took out all the documents, you know, before it went to the Beetham landfill, you know. [*Crosstalk*] Okay? But that is the extent to which a new administration could go to, to catapult the good work of a previous administration.

So, Madam President, I used up my introductory time so I do not have

anything to say about T&TEC, about WASA about whatsoever is part of this Bill, but seeing that I am still on my introductory time, I think I have the opportunity to so do.

Again, I want to say that I just had to debate on this first day of the sitting here, and I just wanted to put on the record that significant event that I think this country should know about. I thank you.

**Madam President:** Minister in the Ministry of Finance.

**The Minister of Public Administration and Minister in the Ministry of Finance (Sen. The Hon. Allyson West):** [*Desk thumping*] Thank you, Madam President. Madam President, I thank my colleagues on this side for responding to some of the misinformation that was put out there on the other side, but there are a few things that I need to either reiterate or respond to.

Sen. Mark in typical fashion talked about this administration's over-dependence on the Central Bank for financing, which is the most galling thing you could think of. When you consider that the UNC administration, the People's Partnership administration took the overdraft from a credit of \$6 billion to a deficit of \$9 billion in a period where they had the highest revenue in Trinidad and Tobago ever, [*Interruption*] all—yes, Sen. Hosein, we did move the limit from 15 per cent to put to 20 per cent, but if you compare like with like, it would mean that all we were allowed to do was move the overdraft from \$9 billion to a maximum of \$10 billion. So consider the \$15 billion movement made under the UNC during that period of plenty and our relatively small \$3 billion movement to a maximum of \$10 billion, who was irresponsible? Who was over-relying on the Central Bank for financing? It certainly was not this administration.

Sen. Mark made the most astounding suggestion when he said that we



should be disconnecting Desalcott for not paying their Bill to T&TEC. What would be the consequence of doing that but us losing access to more water in these difficult times? Obviously, that is not the solution. The solution is to come up with a plan to offset the obligation to Desalcott versus the obligation due from Desalcott. And this is what, as the Minister of Public Utilities has said, this is what the administration has been doing, cutting off Desalcott, it would be a completely irresponsible thing to do.

We keep hearing from Sen. Mark and others that the actions of the Government are depleting the foreign exchange reserves in Trinidad and Tobago; nothing could be further from the truth. There was a movement downwards when we first came into Government, but that movement has stabilized and has been stable for the last three years.

The foreign exchange reserves we have cover of eight months, that has been in existence since I joined this Government and it continues today. We are managing through the Central Bank with policy guidance from the Minister of Finance, we are managing the Central Bank reserves, and we have managed to stabilize it in these difficult times.

So the commentators out there, and the commentators in here who keep saying we are depleting the foreign exchange reserves are completely wrong. Our foreign exchange reserve position is robust, and we will continue to manage it to ensure that it remains in that state.

Sen. Obika and Sen. Mark went on for quite some time blaming this administration for the loss that was incurred in respect of swap; that as well is astounding. The Government of the People's Partnership under its then Minister of Finance Sen. Howai entered into a swap. And, yes, you can say it is insurance, but

it is not unreasonable to say it is a gamble, because what you have is two sides who are taking different positions. If one side guesses correctly, then they will come out on top. If the other sides guesses correctly, they will come out on top, but somebody is going to lose, so you have to look at the relative cost of this swap, versus what you are proposing to gain.

And once you have entered a swap, pulling out is not an easy thing, you have to weigh what it has already cost you versus the relative merits of staying in. So it is not just looking at it and saying, yes you made a bad decision to start with, but having made that—it is like getting into a bad marriage. You do not wake up one day and say, okay, “I should not have married this man yesterday, I am going to divorce him”. You try to determine whether there is merit in preserving this relationship, and after some time of reflection and seeking advice and whatever, you make a determination.

The swap having been entered into in circumstances when this administration would not have entered into it, we had to assess the merits of determining, should we end it and bear the cost because ending it early would have cost, or should we wait and see in the unlikely event that there was an upward swing in the interest rates. And having assessed and sought advice and taken advice, the Minister of Finance did eventually end it.

Now, the question one would ask is, did the Minister of Finance under the PP administration seek and take proper advice in terms of getting into the swap in the first place. That is the question. Because when you have somebody in the likes of Citibank who is prepared to wager that the interest rate would never exceed this amount, you have to question yourself as to whether your position that it will exceed is a valid position. And obviously Citibank proved right, because in

none of the years since the swap was entered into did it cross that threshold, so obviously there was absolutely no merit in pursuing that.

Now, if you enter into a swap and you see movement where the interest rate is fluctuating above and below the target amount, you would say okay, there is merit in taking that gamble, but when you look at the history of the interest rates throughout the period of the swap, in no year did it even ever get close. So what was the basis for the then Minister of Finance entering into the arrangement, that is the question that one should ask. And, yes, we laid the blame for the cost of that transaction squarely at the feet of the People's Partnership Government.

Sen. Deonarine raised several issues and asked several questions. The overdraft, there is, we do have cash flow challenges in the Government, and what—this would be expected to happen when you are relying on a product that is as volatile as oil and gas is, and this is why the policy of the PNM administration prior to 2010 was to create a buffer. This buffer was in NGC where the policy was to take dividends maximum being a percentage of the profits of the company. So you left NGC in funds to do a couple of things: to continue investing for growth, and to give the Government some leeway in case there was a fall in the oil and gas prices. We left a buffer in the Central Bank by leaving a credit amount in the Central Bank of \$6 billion. The problem was when we came back into Government after five years of the other side being in Government, the buffers were gone, so we had no choice but to borrow.

When you come into an administration and you are told you have three days cover, you cannot pay salaries, there is no choice but to borrow, and to get from there back to the buffer in a period where the prices are still low, they have not attained the heights that they were up to 2014, and the administration of the arms

of government collecting your revenue are not as robust and not as efficient as they should be, it is difficult to get back there, but we are working our way towards getting back there.

Yes, the options that you have identified to get us out of that are all very valid, we have considered them all as well; finding other sources of income. Short-term sources of income are difficult, we have found a couple as we would have indicated to you, the adjustment that we got from the oil companies through renegotiation of the past income positions, the tax amnesty was a boom, all of these things were short-term solutions that have given us some kind of relief, but the real benefit is in pursuing the long term diversification measures which we continue to do.

Containing expenditure, we have done a very creditable job in doing that, having moved the expenditure from \$60 billion a year to \$50 billion a year. We have been raising debt as and when we need to. We are trying to contain that as much as possible, but we are trying to do that scenario where we have expenses that we cannot cut much more, and we have development programmes that we have to continue doing.

Most importantly from my view, my passion, we have to become more efficient at raising finances. And yes, we can try to do that under the current administration which we have been trying to do. I would have indicated to this House sometime ago that we had some assessments of the tax administration, we got a report and we have been working with the Inland Revenue to implement the recommendations from that report to improve the administration, but once the tax administration remains within the confines of the public service proper, there will be constraints on recruitment and advancement, and so it is something that we have

to seriously take on board, and take a concrete and positive position if we are to make any real headway in terms of the finances that we raise.

The FIU \$7 million tax evasion and the demonetization, I saw both of those as absolute opportunities for the tax administration to improve the income that we receive from revenue actually take action against people, but given the limitations, it has been minimal, and so we really need a more robust organization if we are to make any real headway.

Sen. Deyalsingh, just a correction, you indicated that we, the Minister of Finance should not have the authority to transfer funds to different Ministries, and I would just like to correct you. He does not have that authority. All he has the authority to do is to allow for transfers within a Ministry. So it could be that in the budget presentation a Ministry would have gotten approval to create a new unit, for example, and they got an allocation for that, but they would have decided during the course of the year that, no, they may not need that unit, they should really be focusing their attention on something else so the same Ministry goes to the Ministry of Finance and says, instead of using my funds for this, can I use it for that.

So for the AG, for example, the AG intended to set up a public defenders unit, and there may have been a delay in the setup of that unit, so the funds that were set aside for that would not all have been used. So the AG comes back to the Minister and says, I have not been able to use all those funds here, can I use it to repair the court in San Fernando. And the Minister of Finance in those circumstances could say, yes, go ahead and do that, so it is just not moving it around to Ministries. And we have to move funds from one Ministry to another, from one Head to another, we do have to come to Parliament to seek approval.

Sen. Obika is alleging that the PNM administration has to take responsibility for 25 billion of the 31 billion borrowed by the UNC administration. That is the most mind-boggling argument I have ever heard. One, the “Clico debacle” would not have been a debacle if it was properly managed by the UNC administration. This was meant to be a short-term loan fully secured by assets which would—and the amount should have been recovered in fairly short order from the company; this did not happen. All sorts of machinations were entered into to deal with that. At the end when the PNM came back into power, we had to struggle to get access to the assets that ought to have been held as security, because the UNC failed to renew the loan that tied the assets to the liability, so we had to struggle to recover those assets, but we did. And the item that was supposed to have been a short-term loan that ought not to have cost the Government six years of borrowing and interest payments, we sorted it out through collection of the assets through the offer of the NIF which was oversubscribed. That matter could have been dealt with in short order if the UNC had properly managed that.

There is also an allegation that the UNC borrowed billions of the \$31 billion to settle Petrotrin debt. Petrotrin does have debt, it had debt, it continues to have debt, but my information is that although the government from time to time was requested to provide guarantees in respect of debt and in respect of payments due, the Government was not called upon to pay any of Petrotrin’s debt. I know that certainly happened during the PNM’s administration, and my information is that is what happened during the UNC’s administration; from the Ministry of Finance is where I got this information. So the \$15 billion that Sen. Obika ascribes to the Government settling Petrotrin debt, I do not know where that came from.

Another thing that we need to recognize is as my colleague the Minister of

Public Utilities indicated, the Government's accounting is done on a cash basis. The fact that we have had savings in certain areas does not mean that we have abandoned the programme, that we did not do what we were supposed to do. It just means that we have not got to the point where we are making payments for those things. The implementation may have been slower than expected, the bill may not have been received from the contractor, the request for releases may not have been processed by the Ministry of Finance. So nothing about these adjustments indicates that the programmes were abandoned and we have reprioritized, that we do not care about children.

The Minister of Health came here some time ago and indicated that in respect of all valid applications to the Children's Life Fund, for example, the applications were approved, money was disbursed. So we are not ill-treating our children, we are not abandoning our education programmes, none of these things are true. We have to remember that in cash accounting that does not—the fact that there are adjustments does not imply that things were not done, it just means that cash did not pass, that is all it means, but we are under an obligation to come to this place and explain to you why certain costs that we said that we would have incurred during the 12 months up to September 2019, were not incurred during that period, it does not mean that it will not be incurred. A lot of it will just have to be rolled forward to 2020 and this happens every year.

So as the President has been at pains to remind us today, this Bill is about two things. It is about the transfer of funds from the Ministry of Public Utilities to the Ministry of Finance. The Minister of Public Utilities went into pains to explain the two main adjustments under his Ministry, and we have indicated to the House that the main adjustment into the Ministry of Finance dealt with the settlement of

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interest payments. That is all that this is about. All the other information was just providing you with background on adjustments made within Ministries. So in the circumstances I put that information before you, ask you to support the passage of the Bill. 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:** Madam 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.*

**Madam President:** Leader of Government Business.

### ADJOURNMENT

**The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan):** Thank you very much, Madam President. Madam President, I beg to move that this Senate do now adjourn to Tuesday, February 04, 2020, at 1.30 p.m. That would be Private Members' Day and let me take this opportunity to thank both the Opposition and Independent Bench in supporting that we do government business today in lieu of Private Members, so you will have your day next week Tuesday. And I have been advised by the leader of the Opposition business that we will be doing Motion No. 6, that is the Motion on crime.

*Question put and agreed to.*

*Senate adjourned accordingly.*

*Adjourned at 7.11 p.m.*