

SENATE

Friday, October 19, 2018

The Senate met at 10.00 a.m.

PRAYERS



[MADAM PRESIDENT *in the Chair*]

SENATOR'S APPOINTMENT

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

“THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

Appointment of a Senator

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

/s/ Paula-Mae Weekes

President.

TO: DR. VARMA LENNOX DEYALSINGH

In exercise of the power vested in me by paragraph (c) of subsection (2) of section (40) of the Constitution of the Republic of Trinidad and Tobago, I, PAULA-MAE WEEKES, President as aforesaid, do hereby appoint you, DR. VARMA LENNOX DEYALSINGH, a Senator with effect from 19th October, 2018.

Given under my Hand and the Seal of the
President of the Republic of Trinidad and
Tobago at the Office of the President, St.
Ann's, this 16th day of October, 2018.”

UNREVISED

OATH OF ALLEGIANCE

Senator Dr. Varma Lennox Deyalsingh took and subscribed the Oath of Allegiance as required by law.

JOINT SELECT COMMITTEES**(Appointment of)**

Madam President: Hon. Senators, I have received the following correspondence from the Speaker of the House of Representatives:

“October 05, 2018

Dear President of the Senate,

Establishment of Joint Select Committees

At a sitting held on Friday September 28, 2018 the House of Representatives agreed to the following resolutions:

1) ‘Resolved:

That, the Constitution (Amendment) (Tobago Self-Government) Bill, 2018 be referred to a Joint Select Committee hereby established;

That this Committee be mandated to adopt the work of the Joint Select Committee in the Third Session, Eleventh Parliament and report by December 31, 2018;

That subject to the concurrence of the Senate on the establishment of the Joint Select Committee on the Constitution (Amendment) (Tobago Self-Government) Bill, 2018, that the House appoint the following six (6) Members to sit with an equal number from the Senate on this Committee:
Mrs. Camille Robinson-Regis, MP;

Mr. Fitzgerald Hinds, MP;

Ms. Shamfa Cudjoe, MP;

Mr. Terrence Deyalsingh, MP;

Ms. Ramona Ramdial, MP; and

Mr. Rudranath Indarsingh, MP.’

2) ‘Resolved:

That, the Cybercrime Bill, 2017 be referred to a Joint Select Committee hereby established;

That this Committee be mandated to adopt the work of the Joint Select Committee in the Third Session, Eleventh Parliament and report by December 31, 2018; and

That subject to the concurrence of the Senate on the establishment of the Joint Select Committee on the Cybercrime Bill, 2017, that the House appoint the following six (6) Members to sit with an equal number from the Senate on this Committee:

Mr. Faris Al-Rawi, MP;

Maj. Gen. (Ret.) Edmund Dillon, MP;

Mr. Fitzgerald Hinds, MP;

Ms. Shamfa Cudjoe, MP;

Dr. Roodal Moonilal, MP; and

Mr. Barry Padarath, MP.’

3) ‘Resolved:

That, the Mutual Administrative Assistance in Tax Matters Bill, 2018 and the Tax Information Exchange Agreements Bill, 2018 be referred to a Joint Select Committee hereby established;

That this Committee be mandated to adopt the work of the Joint Select Committee in the Third Session, Eleventh Parliament and report by December 31, 2018; and

That subject to the concurrence of the Senate on the establishment of

the Joint Select Committee on the Mutual Administrative Assistance in Tax Matters Bill, 2018 and the Tax Information Exchange Agreements Bill, 2018, that the House appoint the following six (6) Members to sit with an equal number from the Senate on this Committee:

Mr. Colm Imbert, MP;

Mr. Faris Al-Rawi, MP;

Ms. Marlene Mc Donald, MP;

Dr. Lovell Francis, MP;

Mr. Fazal Karim, MP; and

Mr. Rodney Charles, MP.’

4) ‘Resolved:

That, the Trinidad and Tobago Revenue Authority Bill, 2018 be referred to a Joint Select Committee hereby established;

That this Committee be mandated to adopt the work of the Joint Select Committee in the Third Session, Eleventh Parliament and report by December 31, 2018; and

That subject to the concurrence of the Senate on the establishment of the Joint Select Committee on the Trinidad and Tobago Revenue Authority Bill, 2018, that this House appoint the following six (6) Members to sit with an equal number from the Senate on this Committee:

Mr. Colm Imbert, MP;

Mr. Faris Al-Rawi, MP;

Mr. Terrence Deyalsingh, MP;

Mr. Adrian Leonce, MP;

Mr. Barry Padarath, MP; and
Mr. Rudranath Indarsingh, MP.’

5) ‘Resolved:

That the Gambling (Gaming and Betting) Control Bill, 2016 be referred to a Joint Select Committee hereby established;

That this Committee be mandated to adopt the work of the Joint Select Committee in the Third Session, Eleventh Parliament and report by December 31, 2018; and

That subject to the concurrence of the Senate on the establishment of the Joint Select Committee on the Gambling (Gaming and Betting) Control Bill, 2016, that the House appoint the following six (6) Members to sit with an equal number from the Senate on this Committee:

Mr. Colm Imbert, MP;

Mr. Faris Al-Rawi, MP;

Mr. Stuart Young, MP;

Ms. Nicole Olivierre, MP;

Mr. Ganga Singh, MP; and

Mr. Rudranath Indarsingh, MP.’

I request that the Senate be informed of these decisions at the earliest convenience please. Thank you.

Respectfully,

Bridgid Mary Annisette-George,

Speaker”

APPROPRIATION (FINANCIAL YEAR 2019) BILL, 2018

Bill to provide for the service of Trinidad and Tobago for the financial year ending on the 30th day of September, 2019, brought from the House of Representatives [*The Minister of Finance*]; read the first time.

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

Question put and agreed to.

PAPERS LAID

1. Draft Estimates of Expenditure for the financial year 2019. [*The Minister in the Ministry of Finance (Sen. The Hon. Allyson West)*]
2. Draft Estimates—Details of Estimates of Recurrent Expenditure for the financial year 2019. [*Sen. The Hon. A. West*]
3. Draft Estimates of Revenue and Expenditure of the Statutory Boards and Similar Bodies and of the Tobago House of Assembly for the financial year 2019. [*Sen. The Hon. A. West*]
4. Draft Estimates of the Development Programme for the financial year 2019. [*Sen. The Hon. A. West*]
5. Draft Estimates of the Revenue for the financial year 2019. [*Sen. The Hon. A. West*]
6. Social Sector Investment Programme 2019. [*Sen. The Hon. A. West*]
7. Public Sector Investment Programme - Trinidad 2019. [*Sen. The Hon. A. West*]
8. Public Sector Investment Programme – Tobago 2019. [*Sen. The Hon. A. West*]
9. State Enterprises Investment Programme 2019. [*Sen. The Hon. A. West*]

10. Review of the Economy 2018. [*Sen. The Hon. A. West*]11. Vision 2030
– Reporting on Progress – 2015—2018. [*Sen. The Hon. A. West*]

JOINT SELECT COMMITTEES

(Appointment of)

Constitution (Amdt.) (Tobago Self-Government) Bill, 2018

The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan): Thank you very much, Madam President. Madam President, having regard to the correspondence from the Speaker of the House in relation to the establishment of a Joint Select Committee to consider the report on the Constitution (Amdt.) (Tobago Self-Government) Bill, 2018 and that this Committee adopt the work of the Joint Select Committee appointed in the Third Session, Eleventh Parliament and report by December 31, 2018, I beg to move that the Senate concur with the House of Representatives in the establishment of the Committee and that the following six Senators be appointed to serve:

Mr. Nigel De Freitas

Mr. Clarence Rambharat

Mr. Foster Cummings

Mr. Saddam Hosein

Mr. Stephen Creese

Dr. Varma Deyalsingh

Question put and agreed to.

Cybercrime Bill, 2017
The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan): Thank you very much, Madam President. Madam President, having regard to the correspondence from the Speaker of the House in relation to the establishment of a Joint Select Committee to consider the report on the Cybercrime Bill, 2017 and that this Committee adopt the work of the Joint

Select Committee appointed in the Third Session, Eleventh Parliament and report by December 31, 2018, I beg to move that the Senate concur with the House of Representatives in the establishment of the Committee and that the following six Senators be appointed to serve:

Mr. Clarence Rambharat

Mrs. Paula Gopee-Scoon

Mr. Garvin Simonette

Mr. Wade Mark

Ms. Melissa Ramkissoon

Mr. Paul Richards

Question put and agreed to.

Mutual Administrative Assistance in Tax Matters Bill, 2018 and the Tax Information Exchange Agreements Bill, 2018 The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan): Thank you, Madam President. Madam President, having regard to the correspondence from the Speaker of the House in relation to the establishment of a Joint Select Committee to consider and report on the Mutual Administrative Assistance in Tax Matters Bill, 2018 and the Tax Information Exchange Agreements Bill, 2018 and that this Committee adopt the work of the Joint Select Committee appointed in the Third Session, Eleventh Parliament and report by December 31, 2018, I beg to move that the Senate concur with the House of Representatives in the establishment of the Committee and that the following six Senators be appointed to serve:

Mr. Clarence Rambharat

Mr. Daniel Dookie

Dr. Lester Henry

Mr. Saddam Hosein

Mr. Stephen Creese

Mr. Paul Richards

Question put and agreed to.

Trinidad and Tobago Revenue Authority Bill, 2018
The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan): Thank you, Madam President. Madam President, having regard to the correspondence from the Speaker of the House in relation to the establishment of a Joint Select Committee to consider and report on the Trinidad and Tobago Revenue Authority Bill, 2018 and that this Committee adopt the work of the Joint Select Committee appointed in the Third Session, Eleventh Parliament and report by December 31, 2018, I beg to move that the Senate concur with the House of Representatives in the establishment of the Committee and that the following six Senators be appointed to serve:

Mr. Franklin Khan

Mr. Robert Le Hunte

Ms. Allyson West

Mr. Wade Mark

Mr. Taurel Shrikissoo

Ms. Jennifer Raffoul

Question put and agreed to.

APPROPRIATION (FINANCIAL YEAR 2019) BILL, 2018

The 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 provide for the service of Trinidad and Tobago for the financial year ending on the 30th day of September, 2019, be now read a second time.

Madam President, three years ago, under the leadership of our Prime Minister, the hon. Dr. Keith Rowley, this administration assumed office. We promised the citizens of Trinidad and Tobago a transparent, honest and accountable Government. After five years of mismanagement by the previous administration, it was critical that we establish a system of credibility and trust. We should never forget that when this administration came into office, we were met with a number of serious challenges. The sudden collapse of oil and gas prices in 2014, coupled with Trinidad and Tobago's declining oil and gas production, contributed to the curtailment of our major revenue streams.

Madam President, in the time when oil prices collapsed from US \$108 per barrel to US \$43 per barrel, the annual budgetary expenditure under the previous administration reached an all-time high of \$63 billion in 2014. Budget deficits ballooned to \$10 billion. It is this type of reckless spending that resulted in the Government's bank account at the Central Bank being completely depleted and the overdraft facility of \$15 billion being maxed out.

In light of the high levels of expenditure and critically low revenue streams, we had to act quickly to stabilize the economy. This year's budget continues to build on the successes of the prudent fiscal strategies that have been developed and implemented by this administration. We have weathered the storm and so the theme of this year's budget presentation is aptly called "Turnaround". [*Desk thumping*]

Sen. Obika: A run around.

Madam President: Sen. Obika, please. I do not want to hear that volume coming from you. Okay? You know how to say things under your breath, but you are disturbing me. Continue, Minister.

Sen The Hon. A. West: Thank you, Madam President. As we consider this Motion in this House, I will focus on the following: one, it is necessary for us all to recall the situation that this Government inherited when it came into office in 2015. Sometimes, Madam President, those who were in Government before us seem to have very short memories, and it is important for us to remember the misdeeds of the past to ensure that we do not repeat them.

Second, I want to briefly itemize the steps that this Government has taken in the last three years, steps which attest to and support the hon. Minister of Finance's ability to make "Turnaround" the theme of this budget.

Third, Madam President, it is important also to remind this House and the national community of the nation-building philosophy of this administration and how that consistent but dynamic philosophy puts the interest of the people of Trinidad and Tobago above every partisan of narrow interest. [*Desk thumping*]

Fourth, Madam President, I will address the macroeconomic prospects for the country in the near term to set the context of policies that are given expression in the budget.

Sixth, I will emphasize some of the key projects which the Government will fund from this year's budget. These projects are designed to create the environment for sustained growth, productivity and international competitiveness.

Fifth, I will examine the budget measures that indicate how we know that in the circumstances these will bring benefits to the national economy and, finally, I will look at the finances of the budget.

So, Madam President, what was the situation in 2015? Madam President, between 2010 and 2015, the Government of Trinidad and Tobago collected untold levels of revenue and spent even more untold levels of expenditure. Those were years of

unparalleled and reckless extravagance and waste. Vanity projects that bore little relevance to sustainable economic development, were the order of the day. Indulgence continued into 2015, even in the face of a rapid decline of oil and gas revenues. By the time the current Government came into office, we had no choice but to immediately begin a series of careful adjustments in expenditure to give this country the breathing room to maintain necessary operations.

Madam President, it is also noteworthy that in adjusting to these challenging economic circumstances, the Government has relied on home-grown solutions, and our Trinidad and Tobago creativity. We have avoided seeking external support from multilateral institutions like the IMF. In this, we believe that we have spared the population and, especially, the most vulnerable among us, the harsh austerity programme that might have compromised our social development.

The path to recovery: Madam President, we have been able to bring expenditure to a realistic level projected at \$48.8 billion in 2018, a substantial reduction from the 2014 peak of \$63 billion. [*Desk thumping*] In the 2018 fiscal year, we have been able to achieve revenue of \$42.7 billion with a fiscal deficit of 6.2 billion or 3.9 per cent of GDP. We are maintaining our efforts to reverse the impairments to our fiscal accounts with both targetted revenue raising measures and efficient expenditure so as not to adversely impact our nation's citizens.

In 2018, we will see positive growth of 1.9 per cent. [*Desk thumping*] While this is fuelled in part by the improved prices in the energy sector, there have also been very encouraging developments in the non-energy sector, notably, the manufacturing sector is estimated to grow by 7.3 per cent. [*Desk thumping*] Madam President, there are those who are questioning these results. I am not sure whether it is that they do not understand the statistical methods, or they are just up

to mischief and cannot accept the fact that we are well along the path of a turnaround. [*Desk thumping*]

The National Investment Fund, Madam President. One of this administration's major achievements in 2018 was the successful first offering of the National Investment Fund Holding Company Limited which is a vehicle created by the Government to monetize certain assets received as partial settlement of the debt owed by Colonial Life Insurance Company Trinidad Limited and Clico Investment Bank Limited, arising out of the bail out of Clico in 2009.

Additionally, Government transferred to NIF the total shareholding of the Trinidad Generation Unlimited. The NIF's total portfolio of \$7.9 billion comprises Finance, Manufacturing, and Tobacco Company Limited, One Caribbean Media Limited, Angostura Holdings and Trinidad Generation Unlimited. Madam President, the public offering of \$4 billion in investment bonds, through three-tiered senior tenors of five, 12 and 20 year-periods, were met with an outstanding success and oversubscription, a testimony to the public's endorsement of the Government's prudent economic management. [*Desk thumping*]

Madam President, the results of the NIF bond offering are as follows: The Series A five-year bond received 4,959 applications valued at \$2.2 billion, with individual applicants receiving 100 per cent of their applications and all other investors allocated approximately 45 per cent of their allocations. The Series B 12-year bond received 2,163 valid applications worth \$1.6 billion, with individuals allocated 100 per cent of their request, and all other investors allocated 99 per cent of their request. And the Series C, 20 year-bond, received 981 valid applications worth \$3.6 billion, with individual applicants allocated 100 per cent of their applications and all other investors, 31 per cent.

Madam President, the bonds were listed on the Trinidad and Tobago Stock Exchange on September 04, 2018. In this process, an additional 3,500 investors were added to the existing pool of stockbroking accounts, a deepening of the capital market and widening as a source for capital raising public and private activities. We did all this, Madam President, without any instances or allegations of questionable allocations or dealings. You will note that in all instances, individuals, including the ordinary man in the street, received preference in the allocations. We raised the required \$4 billion. In fact, the offering was significantly over subscribed by \$2 billion, without any evidence of the liquidity crunch that was predicted by the naysayers. [*Desk thumping*]

Our approach to economic governance: Madam President, I think as we advance this turnaround, it is important to understand the PNM's approach to governance as a whole, and more specifically, to economic governance. The words of our Prime Minister, the hon. Dr. Keith Rowley, in the preface to the Vision 2030 document, encapsulates this approach well. He says, and I quote:

We are—"...committed to rebuilding our country and economy, restoring confidence, equity and social justice and improving every area of national life. We recognise that, as a nation, we face several challenges—some triggered by global events beyond our control, with consequential ripple effects at the national level. As citizens, we must all appreciate that the circumstances which we now face require sacrifice and managed adjustment in our living standards, for a period of time, until the economy is successfully stabilised."

The—"Government is committed to making the tough decisions needed to get the economy back on the road to prosperity and sustainable

development. We are also committed to those of our citizens who are unable to cope effectively with more difficult circumstances and have put measures in place to cushion the landing of the vulnerable groups in society, who would be most challenged by the downturn in”—the economy.

10.30 a.m.

Madam President, Trinidad and Tobago is a small open economy that is heavily dependent [*Cell phone rings*] on international trade and therefore is susceptible—

Madam President: Will the Senator with that device please leave the Chamber. You can return in 10 minutes' time, and I remind all Members of the rules regarding your devices in the Chamber. Continue, Minister.

Sen. The Hon. A. West: Thank you, Madam President. Madam President, Trinidad and Tobago is a small open economy that is heavily dependent on international trade and therefore is susceptible to the impact of global economic trends. We must therefore take these factors into careful consideration as we chart our course going forward. Through our policy agenda we continue to strive for achieving high and sustainable economic growth for Trinidad and Tobago. One of the lessons that we have taken to heart is that we continue to live beyond our means. No period of adjustment of expectations downwards is easy. I believe though that it is testament to the maturity of the vast majority of the population that people have understood that to secure our future we have to invest in the present even if it means deferring some enjoyment.

The Trinidad and Tobago Revenue Authority, paving our way: As we seek to strengthen the economy and maintain our path to stability and growth, one of the key issues that we need to address is ensuring greater efficiency and effectiveness

in our revenue collection. A recent study completed in mid-2017 was conducted to identify the tax gap in this country, that is to say, the difference between the amount of taxes due and the amount of taxes collected. That gap is conservatively estimated at \$10 billion a year, which is almost twice the size of our entire PSIP. Madam President, in 2002 the Government appointed a multi-sectoral committee under the chairmanship of Mr. Gordon Deane. That committee concluded that the dysfunction in the revenue collection system in Trinidad and Tobago was systemic and that a complete redesign was necessary, and recommended the creation of a semi-autonomous Revenue Authority. The Deane committee had identified a number of discrete deficiencies. The experience of the last 16 years since the Deane committee submitted its report has confirmed the validity of those conclusions and the need is even greater now.

Madam President, the Government has tabled a Bill called the Revenue Authority Act for the purpose of establishing a new entity to manage the collection of revenue. The draft legislation requires a special majority for its passage. The Government has sent the legislation to a joint select committee of Parliament for consideration. We can only hope, Madam President, that the Members of the Opposition will do the responsible thing and recognize that the interests of the country must at all times trump the desire to score cheap partisan points. We hope that the Opposition will constructively engage in the process and support the legislation. With that support, Madam President, we expect the TTRA to be fully functional in 2019.

Property tax: On June 08, 2018, the President assented to the Property Tax (Amdt.) Act, 2018, and the Valuation of Land (Amdt.) Act, 2018, which corrects anomalies in the two pieces of legislation. In order to provide support to the

Commissioner of Valuations, the Ministry of Finance has been working to build the capacity of the Valuation Division with the recruitment and training of field assessors and other technical staff by providing supplementary accommodation and upgrading the information technology requirements of that Division, and we are proceeding with property valuations as a pre-condition to implementing the tax.

Madam President, I think it is also noteworthy that the inflation rate in the country is at a historic low of 1 per cent, another indication of judicious economic management. It bears noting, Madam President, that our external reserves have remained fairly constant and are quite healthy at eight months of import cover. According to the World Bank available data in 2017, countries with this ratio include Colombia, India and South Korea.

Consequent to the collapse of oil prices in 2014, withdrawals were made from the Heritage and Stabilisation Fund in the amount of US \$375 million in 2016 and US \$252.5 million in 2017. However, the fund has fully recovered from those withdrawals and currently has a healthy balance of some US \$6 billion as at September 25, 2018, again another indicator of prudent management of the country's resources by this Government. Madam President, in the context of the medium term, we are forecasting GDP growth to reach 2.1 per cent in 2021, mobilized by increased gas production from 3.3 billion standard cubic feet in 2017 to 4.14 billion in 2018; non-energy growth to reach 2 per cent in 2021, and Public Sector Debt over 2018—21 period to be within manageable levels of 65 to 70 per cent.

Development projects: As I indicated earlier, Madam President, I would now like to share with this House and the national community some of our notable projects. These projects, in keeping with our development philosophy, are

designed as investment in our future to promote sustained economic and social development. The projects will develop infrastructure that will support an improved quality of life for the national community and increase productivity. In addition, all of these projects will create employment with the resulting multiplier effect during construction, and in many cases will generate significant employment in the medium and long term. Accordingly, Madam President, we have taken a very strategic approach to public sector investment.

The La Brea dry dock facility: Madam President, Trinidad and Tobago strategically placed to the south of the hurricane belt. The Gulf of Paria is a well-sheltered natural haven on the crossroad of major transit points for shipping, both north-south and east-west. We are leveraging our position for the development of the La Brea dry docking facility. This facility, which is being developed in partnership with the China Harbour Engineering Company, will inject some \$3 billion into the national economy and will generate some 9,000 jobs, directly and indirectly.

Madam President, one of our major goals is to implement a tourism plan that would drive diversification and restoration of the economy. A critical development earmarked for the island of Tobago is the Sandals Golden Grove Tobago project. This 500 to 750-room Sandals Resort seeks to make the island a tourism destination in a bid to generate approximately US \$80 million in income and create up to 2,000 permanent employment opportunities.

Madam President, e TeCK is in the process of expanding our industrial park facilities. My colleague, the Minister of Trade and Industry, will expand on this in her contribution, but permit me to highlight one such initiative. The Government, in collaboration with the Beijing Construction Engineering Group, will be

developing a new modern industrial park in Phoenix Park, Couva, at a construction cost of \$104 million; approximately TT \$700 million. This would be financed by Exim Bank China. Once fully operational the new park in Couva will provide space for 60 to 80 factory shells and directly employ 4,000 to 5,000 persons.

Our road network: The Government will continue with its programme of improving the road network. We recognize the negative effect on productivity, and, indeed, on family life that an inefficient road network can have. Accordingly, we have looked at the arteries which can be strengthened. The medium-term programme will see road developments distributed across Trinidad: the San Fernando to Point Fortin Highway, the Valencia to Toco Highway, the rehabilitation of the Moruga Main Road from Petit Café to Marac, benefiting communities such as Indian Walk, Fifth Company, St. Mary's, Rock River, Basseterre, Boissiere, Gran Chemin and La Lune. Madam President, I draw your attention to the reach of these works as a demonstration of the commitment of the Government to touch and meet the needs of all communities. [*Desk thumping*]

The proposed Toco ferry port which will be made more easily accessible by the construction of the Valencia to Toco highway will be a significant boost to the development of communities in the north-east and will feed the domestic tourism product in both Tobago and the North Coast of Trinidad. Madam President, the city of San Fernando has been earmarked by this Government to receive a much needed infrastructure investment consisting of several projects, including the reclamation of land at Kings Wharf, the establishment of a fishing facility and jetty at Hatters beach, and the development of an administrative complex in Chancery Lane. Madam President, I hope from that short inventory it is obvious that our approach to the development of this country is balanced. [*Desk thumping*] We are

committed to the equitable distribution of the country's resources across all communities.

The road ahead: Madam President, this administration has pinpointed seven key sectors which have the capacity to fuel sustainable and international competitive economic development: financial services, maritime services, aviation services, fishing and fish processing, agriculture and agro-processing, software design and application, and the creative industries. Suffice to say at this point that we are continuing and increasing our efforts in respect to all of the initiatives previously mentioned in each of these areas.

Energy: Madam President, recent developments with the local energy sector signals to us that this industry is in recovery. Through this Government's focused engagements with our partners in the energy sector we have sought to maximize the benefits of our oil and gas resources, and my colleague, the Leader of Government Business, will expand on this. Gas production has been increasing with the annual average of 3.8 billion standard cubic feet per day in 2018, with a projected increase to 4.14 billion standard cubic feet by 2021. This is being driven by an increase in exploration and production activity from our partners in the upstream sector. The various initiatives illustrate that the upstream oil and gas producers continue to see Trinidad and Tobago as a valuable partner in the oil and gas industry. Madam President, the Government is moving closer to instituting clear and decisive action in addressing transfer pricing malpractices and revenue leakages stemming from the commercial and contractual structures of the LNG trains. In light of our continued commitment to the Paris Agreement on climate change by reducing greenhouse gas emissions and our increasing demands for our limited natural gas supply, we are committed to ensuring that by year 2021 at least

10 per cent of our total energy supply will come from renewable energy sources.

There are two projects that this Government intends to pursue that will allow small producers of renewable energy to feed electricity into the national grid; one, the Utility Scale Renewable Energy Development Project and, two, the Waste-to-Energy Development Project.

Madam President, it would be remiss of me if I did not make a mention of the Petrotrin situation. Following a detailed evaluation of the operations at Petrotrin the difficult decision has been taken to close the refining and marketing operations of the company. Continuing to run Petrotrin with sustained losses at heavy debt could not be maintained. It meant diverting finances that could have been used to provide more roads, schools, health facilities and social programmes, to keeping a company afloat that was supposed to be a net earner for the citizens of Trinidad and Tobago.

Recognizing the importance of our oil resources, this Government will be focusing on improving our exploration and production capacity to maximize the use of these resources. It is estimated that this new business model will bring over US \$200 million per year in foreign exchange after the completion of the transition. Under this new structure we can look forward to Petrotrin's operations becoming a net earner rather than a net user of foreign exchange. Even as we move ahead, however, to shape our operations in the national oil, I would like to reiterate this Government's commitment to the workers of Petrotrin that they would be treated fairly during this time of restructuring and transitioning. [*Desk thumping*]

Delivering services, improving our way of life, housing: Madam President, under our current Accelerated Housing Programme, which is targeted at low-

income families having access to decent and comfortable dwellings, we have achieved a halving of the cost per square foot in the construction of our housing stock. This programme will now generate 6,000 units by 2020 across 24 communities throughout Trinidad and Tobago. The Aided Self-Help Programme is empowering homeowners to manage the construction of their homes with the State providing financial and technical support. In the three-month period, November 2017 to January 2018, 5,001 applications were received from which a computerized random draw chose 700 applicants from whom new homes would be constructed in 2019. The Housing and Village Improvement Programme is targeting residents of villages located in rural and semi-urban settings to provide them with assistance for home operations.

Madam President, in addition, the Government is partnering with the private sector in the construction of homes. The programme is rolling out 437 housing units in three communities, addressing the needs of our middle-income applicants. Those communities are Chin Chin, Cunupia, with 205 units; Fyzabad with 72 units, and Mount Hope with 160 units. It is envisaged that these housing units would be delivering during the course of the next two years. [*Desk thumping*] Our framework of cooperation and financing among the HDC, the Home Mortgage Bank and the Trinidad and Tobago Mortgage Finance Company Limited has been established to ramp up the financing for the housing construction programme to deliver the existing portfolio of 6,000 housing units by the year 2020, and thereafter to deliver an annual amount of 3,000 units. This will be facilitated by the issue of housing bonds in an initial amount of \$1.5 billion to the national community to fund the accelerated housing construction.

Health care: Our goal to achieving universal health coverage is quickly

becoming within our reach with every citizen having access to first-class health care with specialist health services being provided in an environment of modern, primary and secondary health institutions, and with the expansion, upgrading and modernizing of health care facilities. Madam President, a new health centre is being built in Diego Martin, and renovations and upgrades are taking place at the St. James Medical Complex, the St. Ann's Hospital, the Port of Spain and San Fernando General Hospitals, as well as the Caura and Sangre Grande Hospitals. The Point Fortin Hospital is expected to be on stream shortly.

Madam President, this Government wishes to assure the citizens of Trinidad and Tobago, in respect of sport, that our sporting ambassador, and our sporting ambassadors, that all our national teams would be fully funded. Moreover, Government has in place a reward and incentive programme to rationalize the rewards provided to successful athletes.

Fostering safety and security: Madam President, with the newly appointed Commissioner of Police, the stage is set for transforming and modernizing the Trinidad and Tobago Police Service. We will be restructuring the police service, starting with the replacement of redundant units with a more modern policing service that places greater emphasis on electronic and cybercrime. This will involve human, physical and technological improvements. And, Madam President, my colleague responsible for that area will give you more detail on the plans for that Ministry.

Tobago: Madam President, we continue to support the development of all economic sectors in Tobago. Indeed, the Tobago tourism agency's three-year road map for growth and development is provided for in the THA allocation. Major tourism thrusts on our sister island, such as the hotel, a great programme, and the

Sandals Beach Resort project, will enhance the Tobago tourism product and associated marketing efforts. We will continue to work with the THA on the construction of the new ANR Robinson International Airport Terminal, as well as the marina in Southwest Tobago. [*Desk thumping*]

For fiscal 2019 the budgetary allocation was 2.229 billion, of which 1.119 billion will be for Recurrent Expenditure, and 231 million for Capital Expenditure. This allocation represents 4.3 per cent of the national budget. Madam President, the agreement for the Tobago House of Assembly's loan financing arrangement for its development projects in an amount of up to an additional \$300 million in 2019 demonstrates this Government's commitment to the development of Tobago. This commitment, supported by legislation to grant self-government to the Assembly, which is currently before a joint select committee, is expected to report to Parliament for debate soon.

Estimates of revenue and expenditure: Madam President, we continue to be mindful of the challenging macro-fiscal environment, which in turn is influenced by external and sometimes volatile movements in commodity prices, and will rationalize expenditure accordingly and broadly aligned with Vision 2030. For fiscal 2019, therefore, total revenue has been budgeted at \$47.7 billion up from an estimated out-turn in 2018 of 42.6 billion. Total expenditure for fiscal 2019 has continued to be prioritized and is budgeted at 51.776 billion compared to fiscal 2018 of 48.8 billion. The fiscal deficit for 2019 is expected to decrease to 4.052 billion or 2.5 per cent of Gross Domestic Product as compared to the fiscal deficit of 6.2 billion or 3.9 per cent of GDP in fiscal 2018. The budgeted revenue for 2019 is predicated in an oil price of US \$65 and a gas price of US 2.75 per MMBtu. These estimates are quite conservative when compared to the estimates

of oil and gas prices that are being forecasted by reputable global agencies.

Madam President, based on these assumptions we are projecting total revenue, as I said, of 47.7 billion, of which oil revenue would be 9.5 billion; non-oil revenue, 35.1 billion, and capital revenue of 3 billion. Total expenditure, net of capital repayments and Sinking Fund contributions estimated at 51.7 billion. Madam President, allocations of expenditure for financial year 2019 are as follows: education and training, 7.3 billion; national security, 6.1 billion; health, 5.6 billion; works and transport, 3.5 billion; public utilities, 3.1 billion; rural development, 1.7 billion; housing, 1 billion; and agriculture, 0.78 billion. We will seek to raise domestic financing on the capital market in a net amount equivalent to \$3.8 billion, and external financing in a net amount of \$0.226 billion.

Fiscal and other measures: Madam President, the following key fiscal measures form the basis for the strategic interventions required for the achievement of the Government's objective under Vision 2030. We continue to focus on regulating the fuel market and are actively taking steps to liberalize the domestic fuel market with the aim of improving the efficiency of energy use in the country through an improved allocation of resources in the domestic fuel market. The existing system of fuel subsidy was conceptualized to give consumers, in particular low-income groups, protection from volatile and higher fuel prices with consistent access to affordable fuel. This subsidy has cost a staggering \$29 billion over the last 16 years, of which 18 billion was incurred during the period 2011 to 2015 when oil prices were high. Given the volatile nature of commodity prices, the gas subsidy, if left unchecked, would continue to burden our fiscal accounts. The first fiscal adjustment occurred in 2014 under the last administration when the price of premium gasoline was increased to \$5.74 per liter, completely eliminating the

subsidy on that fuel.

Even so, Madam President, using today's market prices the fuel subsidy was estimated to cost \$1.5 billion for financial year 2019. The PNM administration, in a challenging though improving macro-fiscal environment, recognized the economic prudence of adjusting the subsidy in a sequence to ration so as not to unduly disadvantage the most vulnerable in our society. We have begun the process of deregulating the market, but we have decided to slow down the complete deregulation in order to ease the burden on taxpayers, and we have increased only the cost of super gasoline from \$3.97 per litre to \$4.97 per litre, by keeping the cost of diesel fuel at the current price of \$3.41 per litre. This approach was adopted in an effort to keep the cost of public transportation, and the cost of transportation of consumer items, such as food, goods and materials, down since the vast majority of public transportation vehicles and goods vehicles use diesel fuel. The Government will also continue to subsidize the price of LPG cooking gas in order to assist the most vulnerable. Madam President, the cost of maintaining the fuel subsidy after the adjustment in super gasoline prices is estimated at \$700 million.

Public Service Pension: Madam President, in light of the time delay for the receipt for retiree pensions, the Government proposed to pay the minimum public service pension of \$3,500 immediately upon the retirement of the public servant, [*Desk thumping*] thereby providing them with early financial relief, pending the computation and commencement of their pension entitlement. This measure will take effect on January 01, 2019.

The Government is proposing that rewards of up to \$100,000 be offered for information on the 25 most prioritized criminals, and that the budgetary allocation

for Crime Stoppers be increased by an additional \$2.5 million to support its operation in the identification and reporting of criminal activities. This measure will take effect in January 01, 2019.

Opening hours for health centres: In light of the crucial need for emergency health in remote communities we are proposing that three health centres located in Grande Riviere, Blanchisseuse and Cedros remain open on a 24-hour, seven-day basis, and we will give due consideration to have other health facilities operate on a similar basis. This measure will take effect on January 01, 2019.

Penalties under the Children Act: To address the issue of child abuse we propose to increase, by 100 per cent, all fines in connection with the prevention of cruelty to children as detailed in the Children Act. [*Desk thumping*]

To allow for adequate and affordable housing for our population, and to help young families, in particular, to own their first home—

Madam President: Minister, you have five more Minutes.

Sen. The Hon. A. West: Thank you, Madam President. The stamp duty exemption for first-time homeowners will be increased from \$850,000 to \$1.5 million, effective 1st of January, 2019.

Madam President, the Government proposes to increase the value of the food card to support the most vulnerable in our society. For households with one to three persons, from \$410 per month to \$510 per month; for households from four to five persons, from \$550 to \$650 per month; with households for six and more persons, from \$700 to \$800 per month. This will cost an additional \$29.2 million and will impact 24,000 households.

The Government proposes to increase the disability grant for children under the age of 18 to \$1,500, and for persons over 18 to \$2,000. The Government also

proposes to increase the Public Assistance grant by \$150 at all levels.

The Government further proposes to increase the tertiary education allowance from \$60,000 to \$72,000 to give further relief to persons who themselves are pursuing or supporting people who are pursuing education outside of the Government-supported tertiary education system.

We propose to strengthen the framework for boosting non-energy exports and for generating foreign exchange by introducing an incremental foreign exchange earnings tax credit for the manufacturing sector, in particular for agriculture and agro-processing, food and beverage, non-energy and non-petroleum products, petrochemical products, and any other business approved by the Minister with responsibility for trade. This measure will be introduced in fiscal 2019.

11.00 a.m.

In conclusion, the 2018 Budget, appropriately themed “Turnaround”, signals that we have reversed the downward spiral set in motion by the actions of the previous administration, and we are now on track to a steady and sustainable growth. We are cognizant of the external factors at play and we will take this into account in treating with our expenditure.

Madam President, the former American President, Barack Obama, said in his farewell speech before he demitted office, if you are walking down the right path and you are willing to keep walking, eventually you will make progress. We have to acknowledge the progress we made, but understand that we still have a long way to go, but things are better but still not good. He also said in his Christmas address on December 24, 2015, by so many measures our country is stronger and more prosperous than it was when we first got here. And I am

hopeful that we build on the progress we have made in the years to come. This, Madam President, is appropriate today. We in Trinidad and Tobago are walking down the path to progress. We acknowledge that we have made headway, but we still have a ways to go and we are hopeful, in fact confident, that we will continue to build on this progress.

Madam President, I thank you and I beg to move.

Question proposed.

Sen. Wade Mark: Thank you, Madam President. It is a great pleasure and another unique opportunity to offer the United National Congress' perspective on the fiscal package for the ensuing period. Measures contained in this 2019 fiscal package can either hurt or promote the interests of the working masses of this country, hence the real question that has to be asked in this debate is simply this: In whose interest? Certainly it is not in the interest of the vast majority.

Over the past three years, this visionless, inept and incompetent administration has not generated any meaningful and sustainable economic growth, [*Desk thumping*] any fundamental structural transformation and diversification of the economy, no paradigm shift nor any genuine economic turnaround. All that the working and the ordinary people of this country have received from this hapless, clueless and hopeless outgoing Rowley administration is a run-around. Every key macroeconomic indicator has decisively been negative. The only exception is GDP which was the subject of creative accounting. The country has effectively stagnated and fundamentally contracted. Yes, we are walking down a path, but it is a path of ruination, Madam President. [*Desk thumping*]

The 2019 Budget has consolidated and solidified what is emerging as an ugly and terrifying duality of this country, through a well-calculated and deliberate

assault on the weak, the vulnerable and defenceless working people and middle class families. The aim is clearly to establish two societies within a single border. This is the new reality that is emerging. It is undisguised terror, brutality and sheer vindictiveness on an unprecedented scale through various policy choices.

Madam President, worsening levels of income and wealth distribution in this country has led to an increase in poverty, hunger, malnutrition among the poor and the vulnerable. A recent document or magazine called *Borgen* and the Commonwealth Foundation has estimated that poverty is in the vicinity of over 20 per cent in Trinidad and Tobago, and malnutrition and under-nourishment is around 11 per cent. It has been estimated that over 70 per cent of the squatting population are unemployed. Young store workers, low wage security workers and other service sector employees, whose earnings range between \$12 and \$20 an hour, is the reality. These workers toil for long hours, 60 hours, just to make two ends meet. And there is absolutely no doubt that the 25 per cent increase in the price of super gasoline will negatively hurt the middle class in our country, and significantly impact on their disposable income.

This Government has increased super gasoline by 84 per cent over the last three years. [*Desk thumping*] When combined with the fact that diesel has escalated by 127 per cent over the last 3 years, one can understand that life has become unaffordable for large segments of our population. There has been an astronomical rise in the cost of living and a deterioration in the quality of life.

Madam President, the so-called inflation rate of 1 per cent is completely unrealistic and deceptive, and if you, like me, shop in groceries and supermarkets and the market, the story is telling and very different. [*Desk thumping*]

Madam President, the Government still has not fully proclaimed the public

procurement legislation, after being in office for 1,120 days and counting. This has allowed this Government to embark on what can only be described as some unhealthy and unethical procurement practices. The space created has generated irregularities and in many instances a lot of mishandling of public funds. Madam President, you know, the Government has embarked on Cabinet fiat in determining procurement matters. It reminds us of the medieval times when the king could purchase as he pleases. Whether it is the *Galleons Passage*, the two recently announced boats that they want to purchase from Australia, or the two Cape-class military vessels, their situation is the same.

Madam President, this Government has been conducting a virtual slash and burn social policy agenda, which has left in its wake tens of thousands of citizens with little or no access to public assistance. At a time of deteriorating economic and social conditions, when many of our citizens are facing unemployment and underemployment, the Government is boasting about its achievement in kicking out over 18,000 citizens and their 54,000 dependents who were deemed unfit to access food cards. [*Desk thumping*]

Madam President, there is no doubt that chronic poverty and hunger have grown exponentially in our country. The Government shares no official available data to properly inform our decision. After three years of crushing and unrelenting economic and financial blows, manifested in rising taxes, astronomical increases in the cost of living, the impending dreaded property tax, this Government has decided to throw some crumbs from the master's table at the feet of the masses of the poor and the weak. Imagine, the Government is offering this citizenry a paltry \$100 across the board after three years, and after fiscal 2019 they would have spent over \$200 billion and what they would offer the people, only crumbs.

Madam President, mass reductions in Government expenditure have generated massive negative effects on the quality of life and the standard of living. Government total expenditure for 2014/2015 amounted to 59.8 billion. You know what the total expenditure was in 2016/2017? Madam President, 50.4. This savage cut in Government expenditure has had dire consequences on the working people. Unemployment has risen from 3.5 per cent in 2015 to 5.3 per cent in the second quarter of 2017. Rising unemployment has adversely impacted on the health of our citizens, manifested in mounting psychological problems, increased risk of mortality and a generation of unhealthy behavioural patterns.

Madam President, this country under the PNM has witnessed a rise in the suicide rate particularly of males. There has been an alarming increase from 22.9 per 100,000 between 2010 and 2015, and under the PNM it has risen to 39.5 per 100,000 between 2015 to the present time. Under the PNM this country has witnessed—

Sen. West: Can I request the source of that information please?

Sen. W. Mark: The World Health Organization and many other groups. [*Desk thumping*]

Madam President, this country has witnessed a 72 per cent increase in the rate of suicide under this Government—72 per cent. [*Desk thumping*] With a Gross Domestic Product of some \$156 billion at the end of 2017, a GDP of US 16,819 in 2017, Trinidad and Tobago is still considered a middle income country.

Madam President, it has been estimated that women on average earn a staggering 34 per cent less than men. This certainly represents a serious case for gender based discrimination in wages, particularly in the private sector. This gender wage gap scenario affects families, particularly with single parents.

Children of single parents are six times more likely to live under the poverty line. With 75 per cent of single families headed by mothers, the issue of the gender wage gap is truly alarming. There is need for legislation to eliminate the wage gap which would represent a substantial step towards promoting economic success and working towards gender equality.

Madam President, I must tell you that the PNM has formulated a strategy to destroy the modern trade union movement. I want to turn to that issue. The proposed closure of Petrotrin by this Government and the creation of a holding company with some four subsidiaries, is a strategy deployed to crush and destroy the trade union. The PNM Government has chosen to go for the jugular. They have calculated that once the OWTU is dismembered the rest of the trade unions would fall.

The PNM has always been bitterly anti-worker, anti-trade union and anti-people. Since the arrival of Eric Williams in Trinidad and Tobago in the 1950s, the trade unions have come under relentless assault. Not only did this Government and the previous one under Manning, close down BWIA, Caroni (1975) Limited and shut down TTT, leaving thousands of workers on the breadline, but the PNM is now threatening to go after the Communication Workers' Union, the Public Services Association and the National Union of Government and Federated Workers, under the guise of restructuring TSTT, WASA, BIR, Customs and Excise and T&TEC.

Madam President, when a chairman of a state-owned board can refer to workers as “baggage which must be cleaned up”, then we all know that the Government has declared war on the working class of our country. [*Desk thumping*]

The restructuring is being used as a mere cover to subvert the trade union movement and to lay off thousands and thousands of their members. It is clear that the working class needs to be alert, united, militant and firm in their opposition to this anti-PNM—anti-trade union government. Could you imagine having signed and registered a memorandum of agreement with the Industrial Court, this Government, through its board at Petrotrin and management, went ahead and breached and violated that agreement? Madam President, I want to tell you today and this Senate that a leopard never changes its spots, and the trade unions should have learned their lessons from past PNM administrations.

Union workers have been weakened and undermined by this Government. More workers are being exposed to the vagaries of the marketplace. Madam President, you remember when they closed down the ArcelorMittal plant? They promised honey, they promised the moon, the sun and the stars for these workers. Where are the workers today? Anybody remembers these workers? I want to tell you—*[Interruption]*

Madam President: Members, please. Sen. Mark is making his contribution, I would ask Members, please, let Sen. Mark continue. Members, listen in silence please. Continue.

Sen. Wade Mark: Thank you very much, Madam President.

The Minister of Finance, in his desire to misguide the population, and maybe misinform them, speaks about a turnaround, and we heard it dripping from the lips of the hon. Minister in the Ministry of Finance this morning. Whilst that is so, let us look at the reality. What are the macroeconomic indicators that would tell us when you examine objectively, that there is an economic turnaround in this country? Is business hiring more workers? Is the Government hiring more

workers or laying off more workers? Are more businesses being closed around this country when compared with new ones opening?

When you are talking about a turnaround, you look at foreclosures in car loans and mortgage loans; that is on the rise. When you talk about a turnaround, you look at the country's public debt, is it rising or is it falling? The debt is rising. What about foreign exchange access, is it freely available? If not, how genuinely is this talk about a turnaround? Is there a turnaround? What about the country's foreign exchange reserves? We know it is falling. The Minister talked all kinds of flowery language and compared our state with many other countries a short while ago, but the reality is that our foreign exchange is falling, from almost \$11 billion to now \$7.7 billion. The nation's balance of payment is in deficit. Everything is heading south in terms of negativity, and then they tell us they have done it like Frank Sinatra, their way. Well, I want to tell them, their way has been an utter failure. [*Desk thumping*]

We want to tell them today, their way has brought a massive contraction in the GDP of this country over the past three years. Their way has ensured rising levels of unemployment and under-employment. Their way has resulted in a scarcity of foreign exchange, and a steep decline in the country's foreign exchange reserves. Their way has resulted in a deficit in the country's balance of payment. Their way has failed. Their way has brought only hardship and deprivation to the many. It is time for the people to expose this bogus "Turnaround" and run the PNM out of town, that is what we have to do. [*Desk thumping*]

Madam President, I want to talk to you about the contraction of Government expenditure and how it has impacted on our socio environment. The PNM Government has been actively promoting a de facto internal devaluation of our

currency, with the firm and full support of a battery of IMF advisors. This has resulted in a major reduction in Government expenditure, which has slowed down inflation. That is why inflation is 1 per cent, because there has been an overall decline in goods and services, in the purchase of goods and services. Madam President, these measures have grown the unemployment rate as I said to 5.3 at the end of the second quarter.

Madam President, to show you further, labour force participation rate has collapsed from 61.9 per cent in 2012 to 51.1 per cent at the end of the third quarter in 2017. Even unemployment levels stood at 32,100 at the end of the third quarter of 2017. This is expected to spike to about 7 per cent as they retrench and lay off over 7,000 workers.

By deliberately slowing the growth of prices and stagnating and contracting the economy, the Government has caused more people to become economically inactive and disenchanted. This has led to a stagnant and contracting economy with little or no innovation. That is the reality. There is no dynamism in the economy. There has been a significant reduction in gross capital formation. Even the State has run persistent fiscal deficit, and the debt level has exploded from 47.8 per cent in fiscal 2014, to 61 per cent in fiscal 2015. This is taking this country straight into arms of the International Monetary Fund. This is the reality.

Madam President, when we look at what is going on I want to tell you that the strategy that the Government has been pursuing is not in the interest of this country and not in the interest of the people.

I want to share with you the so-called releasing of this country's GDP. This reclassification or new classification, calculation and methodology has led to a reduction in real economic activity in T&T. While for instance they are boasting

that there has been expansion in economic growth by 1.9 per cent, according to their calculation, the reality is that the GDP has contracted. In 2015 it was \$170 billion. That has been contracted to \$159 billion in 2016, and at the end of 2017 it was contracted to \$156 billion. Where is the growth, where is the turnaround when the economy is contracting?

They talk about growth in the manufacturing sector, but this growth is reflected mainly in petrochemicals or the petroleum and chemical subsector. Other than that there is negative and flat growth in all the other subsectors, with the exception of food and beverages. Madam President, every major sector has declined: mining and quarrying, public administration, construction, accommodation and food services, agriculture and forestry and tourism. Everything is on the decline, and therefore the incompetence of this Government is clear.

When we look at some key areas, again to demonstrate how this economy is contracting, Madam President, we are dependent on one sector, and that is energy. When we look at the energy to GDP ratio, we see an increase from 31 per cent in 2015 to 37 per cent in 2018; unemployment from 3.3 per cent in 2015 to 5.1 per cent in 2018; a decline in the labour force participation rate from 61.3 per cent in 2015, to 59.1 per cent in 2018; debt as a percentage of GDP has increased from 40.2 per cent to 61 per cent in 2018; gross capital formation as a percentage of GDP has contracted from 4.5 per cent to 2.4 per cent. The foreign exchange reserve has collapsed from 9.9 billion in 2015 to 7.5 billion in 2018. Murder has increased from 472 in 2015, and it could reach as far as 530 at the end of 2018.

Madam President, I would like to ask the hon. Minister who talked about transfer pricing—over the past three years the Government has done little or

nothing to address tax avoidance. Would you believe that there is a report by Poten & Partners that talks about under reporting of actual values of LNG sales by almost \$30 billion? This Government is supposed to have collected close to \$130 billion because of tax avoidance and under reporting of values of export exports of LNG, and the Government has done nothing. All we are hearing is “ol’ talk”.

We were told they were going to bring transfer pricing legislation, nothing has been done. Had they collected the \$130 billion, all the outstanding moneys owed to Petrotrin, \$25 billion, could have dealt with in one shot. We would have tripled the amount in our HSF. We could have paid off this country’s entire national debt and solved the foreign exchange crisis in our country. So why is the Government dilly dallying on this question of getting at the bottom of this whole question with these people.

We know that the Prime Minister on behalf of this nation collected a cheque at bp in London, earlier this year, for \$1 billion. We want to ask you, Madam President, through you to the Government, is the Government seeking to agree to write-off whatever remaining debt owed to our country by these particular corporations? I think it is Shell and bp in particular. We would like to know, who is benefiting by this slow pace that the Government is proceeding? Is this country being held hostage? Are we a captive State? Are we becoming a British colony once again?

There is a director who appears to be calling the shots on the future of Petrotrin’s upstream assets. He was the same one involved in the sale for a song of BWIA landing rights at Heathrow to BA. He was also involved in the removal of local service companies on the platform and marine operation for bp by British companies. Will this gentleman be allowed to bring British investors, executives

and managers and service companies, and exclude our own nationals? Madam President, these are questions that I am asking, and I hope that the Minister would in fact address.

We know that there is something called the “petroleum impost”, and we know that is the money that can be used to finance the operations of the Ministry of Energy and Energy Industries and all relating bodies that deal with energy. They collected every year \$84 million. Why is the Government not using the petroleum impost to strengthen the Ministry of Energy and Energy Industries and the Ministry of Finance? I ask that question.

Madam President, I turn to Petrotrin and the saga called Petrotrin. Petrotrin is the exclusive supplier of energy in terms of Trinidad and Tobago, re fuels. The LPG we cook with comes from them. The gasoline we put in our vehicles comes from them, and they produce a wide range of lubricants, fuels and feedstuff. Petrotrin through various incarnations has come to represent our national patrimony. It is no matter whether it is hard times or good times, the resources under the earth belong to us. It is our national patrimony. It is therefore outrageous to suggest that 5,500 jobs will be compromised by the issues facing Petrotrin.

11.30 a.m.

Madam President, we have estimated that 50,000 sources of employment could be at risk, whether you talk about service providers, construction, contracted, maintenance, groceries, parlours. Madam President, there is no doubt that this issue is reflective of a government that is hopelessly out of touch with the people of our country. Of all the strategies to humiliate and punish the good people of this country, the actions of these people at Petrotrin have resulted in a population full of

fear and angst.

Madam President, our trading partners in Caricom and beyond are bewildered and concerned for their own energy needs if this plan succeeds. Trinidad and Tobago will become perhaps the most vulnerable country in our region, a country with no energy independence, no hope for energy security and forever destined to be on the brink of a national shutdown.

When the PP took office in this country we engaged in a programme on a scale that we are now benefiting from today in terms of energy-sector activities. We are the ones who are responsible for whatever is occurring in the Juniper fields today. We were the ones responsible for whatever is happening in the Angelin fields today. The TROC, which is the Trinidad Onshore Compression, we played a big role in that. [*Desk thumping*] BHP Greater Angostura was another project that came out of us.

We had huge successes in the land bid round, manifested in the Rio Claro block, in the St. Mary's block, in the Ortoire block. Why would Government or why would any Government want to destroy Petrotrin? The facts are stubborn things.

Madam President, what has the PNM done since they came into office in terms of the energy sector? You know what they have done? Madam President, not a single new bid round after three years, not a single bid round in deep, shallow or medium water, not a single bid round on land. A steady decline in rig days; a marked decrease in exploration and production, both land and offshore; unregulated ageing infrastructure left to rot; litigations across the board from petrochemical to petroleum companies as the Government breaks gas-supply contracts and opens the State to billions of dollars in liabilities.

Madam President, despite what they may say about Petrotrin's profits, the facts are there to testify that this flagship company has contributed enormously to our wealth and development as a nation. [*Desk thumping*]

Madam President, according to the EITI TT report for 2015/2016, in 2011 Petrotrin paid into the Treasury \$3.6 billion. In 2012, they paid \$1.5 billion. In 2013, they paid \$4.2 billion. In 2014, they paid into the Treasury \$6.7 billion. In 2015, they paid \$4.1 billion. We have estimated based on our research that they paid into the Treasury in 2016, \$235 million. In 2017, they paid \$532 million into the Treasury, and this year 2018, they paid \$520 million. In total, between 2011 and 2018, they paid over \$21 billion into the Treasury of our country. And why would you want to close down such a healthy company?—because it has experienced some setbacks, Madam President?

Madam President, I want to tell you today, you know why they want to close it down?—because they want to sanitize the Malcom Jones era. [*Desk thumping*] You know why they want to close it down, Madam President? They want to close it down because there is a scandal called the “fake oil” scandal [*Desk thumping*] involving the A&V, so they do not want any witnesses or evidence to emerge. [*Desk thumping*] You know why they want to close it down, Madam President? They want to avoid persons from stepping forward to provide evidence on a number of crooked deals involving top Government officials. That is why they want to close down Petrotrin. [*Desk thumping*]. Madam President, we in the Opposition do not support the closure of Petrotrin; [*Desk thumping*] I want to make that very clear.

Madam President, there is a matter I want to bring to your attention. There is something called the production levy, the Petroleum Production Levy and

Subsidy Act. The Minister of Finance told us in his 2019 budget that that is going to be eliminated when they remove subsidies completely. Madam President, do you know that between 2011 and 2016, the Minister of Finance collected close to \$3 billion in petroleum levy to subsidize gasoline in this country?—close to \$3 billion; that came from the multinational corporations, from the oil companies.

So, Madam President, the question that is being asked: If the Government decides to do away with subsidies, is the Government willing to allow \$3 billion to remain in the pockets of the multinational corporations? Or will they take that \$3 billion to subsidize LPG and other energy products in our country? That is the question that is being asked.

So, Madam President, there is another area I want to bring to your attention; that is the assets of Petrotrin. Petrotrin has thousands of acres of land in prime locations all over the country.

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

Sen. W. Mark: Yes, Madam. Madam President, they have a premier health facility. They have a school, a golf club, social staff club. They have staff quarters, homes worth billions of dollars. They have assets, they have an unused Carney gantry, they have vehicles, they have bunkering facilities. The Government has begun to strip the assets of Petrotrin already. There is a company called Massy Realty that is already advertising Petrotrin, Tobago property, in a full-paid advertisements in the newspapers. So their known financier called Massy has already begun advertising to dispose of assets of this particular company, and engage in what can only be described as “fire sale”.

Madam President, all is not lost, there is hope for a brighter tomorrow, the economy can be fixed. Our country requires the implementation of a strategic and

systematic treatment protocol to pull us out of this mess that the PNM Government has inflicted upon us. We need a plan, an economic plan to regain fiscal balance, stabilize public debt, stop the erosion of our foreign exchange reserves and return our economy back into a meaningful growth trajectory. We need to build an independent, self-reliant, resilient and confident society of the future.

The UNC has a plan to move this country forward. [*Desk thumping*] But, Madam President, owing to time I will not be able to go into details of it. It is entitled “a national economic recovery and diversification” plan, the broad elements would be digital economy, innovation culture, the role of the entrepreneurship, diversification strategy, good governance, corporation tax issue, job creation, state enterprises.

Madam President, the future is promising for our country, economy and society. However, there is an obstacle in our path, a hurdle which we must remove, a blight which must be exorcized, the end is near for the PNM. [*Desk thumping*] They talked about Frank Sinatra, they did it “their way”; your hours are coming near, near.

Madam President, the people are crying out for justice, for fairness and equal opportunity. The Prime Minister must do the decent thing and resign, call the general election. [*Desk thumping*] Let us, Madam President, in closing, unite to build not only another society, but a just, fair and equal one. Let us together build one another, let us unite as a people, and as a nation. And, Madam President, in the words of Bob Nesta Marley, let us together “chase those crazy baldheads out of town”. [*Desk thumping*] Thank you very much.

Madam President: Sen. Shrikissoon.

Sen. Taurel Shrikissoon: [*Desk thumping*] Thank you, Madam President, for

acknowledging me and allowing me the opportunity to present my perspective on the fourth budget presentation of the current administration in Government. Having heard both sides this morning, I think it is necessary that I try to provide some element of balance [*Desk thumping*] in this honourable House. I would like to thank my colleagues on the Independent Bench for allowing me the opportunity to begin this morning on behalf the Independent Bench.

Madam President, this year's budget presentation has been presented against a forecasted global economic growth of 3.9 per cent for 2018 and 2019 as forecasted in the April 2018 in the *World Economic Outlook*. However, in the same article, while it had presented an outlook of growth, it also says that the expansion, that the pace of development—it also presents a caution to the pace of development and has cited that expansion is becoming less even and risks to the outlook amounting. It is, therefore, with a global outlook, a positive global outlook, but with a caution that the risks amounting to this increasing growth that I present my perspective on budget 2018/ 2019, or for the fiscal year 2018/2019, recognizing that we are on a path, but we need to take cognizance of some of the risks that we are being exposed to.

We are aware that we have been through, and we are still going through, some turbulent economic times fostered or created as a result of exogenous shocks and lower supply volumes. However, in my mind, one of the weaknesses or why we were more susceptible to these risks was as a result of runaway expenditure that has been unsustainable and putting the country's fiscal accounts into deficits.

However, upon this current administration assuming office what was before them was clearly an uphill task, and I wish to acknowledge the efforts of the current administration and the Government [*Desk thumping*] and the hon. Ministers

of Finance and their teams in presenting their fourth fiscal package.

As I offer commendations to the Government, Madam President, I wish to say that I am a proud citizen of a country with an economy that has shown resilience and fiscal management that has resulted in economic growth for the first time over the last five years of approximately 1.9 per cent. [*Desk thumping*]

Madam President, according to the monetary policy announcement of 2018 and 2019, inflation was managed at just about 1 per cent over the period 2017 to 2018. What is more commendable about this, in the recent launch or edition of the World Competitive Index or report just two days ago, it indicated that Trinidad and Tobago, with a 1 per cent increase in inflation, was actually number one in the world with respect to restricting inflation and managing inflation. [*Desk thumping*]

There is a significant increase in productivity among our people, it was something that I signalled in 2016 that there was a decline, but in 2017 we actually saw a change in the level of productivity, returning to positive values, [*Desk thumping*] although managed, a stable exchange rate which has restricted the increases in the cost of living. Despite two withdrawals on the HSF, on the Heritage and Stabilisation Fund, it still maintains a healthy balance of about \$6 billion, a value at which I think we never really got to in prior years.

A surplus on the current account indicating that our exports are increasing, that exports are greater than our imports. Very significant, growth in the manufacturing sector, very importantly for Trinidad and Tobago's economy, carefully crafted negotiations and arrangements with key players in the energy sector both internationally and locally which will have a positive impact on Trinidad and Tobago's economy.

While these commendation are macroeconomic, I also wish to highlight

from the budget statement, social sector policies that I am particularly impressed with and I am happy with for the benefits of citizens of Trinidad and Tobago. The increase in the value of the food card, the reformation of the disability grant and its associated increase, the increase in public assistance grant, and the increase in the cap on senior citizens' pension, as well as the interim facility for retired workers.

In terms of other fiscal measures, I support the following measures: Increase in penalties under the Children Act; increase in penalties under the Litter Act; increase in penalties for bush and forest fires; and the opening of remote health centres 24/7. These are absolutely commendable in my mind, and I really wish to knowledge the efforts of the administration for putting together a fiscal package like this [*Desk thumping*] and, at least, indicating in some sectors—and, again, some macroeconomics indicators that, at least, we are moving in the right direction with, at least, some of the indicators. I am aware that we cannot fix all immediately and at one time, but at least if we start to fix it bit by bit, we can return the economy to sustainability and resilience.

Madam President, I am sure that the commendations that I have offered and the strengths of the fiscal packages would not be limited just to what I have said but there are other areas, but these are the few that jumped out at me and I wish to state it emphatically at the beginning of the contribution.

However, Madam President, now I have the opportunity to go through the budget and, at least, present my perspective now, not necessarily against or anti-government, but a fair view of what I would like to present and I hope that it is well received.

Madam President, with respect to expenditure, it is noteworthy that this current administration has significantly brought down the level of expenditure in

this country [*Desk thumping*] This year it is estimated at 51.7 billion, last year it was estimated 50.5, but it came at 48.9, according to the revenue and expenditure statements. It is very noteworthy to state that the level of expenditure attained in 2017/2018 was the lowest it has been for probably for decades since 2010. [*Desk thumping*] And therefore, coming down to that level of expenditure and managing the economy was very critical at that reduced level of expenditure.

With respect to revenue, Government was not so fortunate with respect to its performance in revenue in that its estimated revenue always was higher than actual revenue since it assumed office. Variances on the revenue side continue to persist with actual revenue being less than estimated revenue. When you have a situation of revenue being less than expenditure, we are in deficits, and when your estimated revenue is not materialized, your deficits are larger and, therefore, we need to be aware in terms of, or be aware of the conditions that exist or the assumptions that we make in estimating revenue, as revenue estimations are not being realized. However, the disparity is still getting closer; so we are aware of that. So that while it is in a negative variance, the variance is getting smaller.

With respect to the deficit, since this Government has assumed office, what we are seeing is a difference between the estimated deficit and the actual deficit. There has been growth in the actual deficits as compared to the estimated deficits. So in 2016, the estimated deficit was 2.7 billion, actual being 7.2; in 2016/2017, 6 billion, actual 12; 2017/2018, it was 4.76, the actual being 6.2, an increase over the estimated figure. However, Madam President, while the deficits continue to run away from us and be larger than estimated, I still think that we need, this economy needs, to get to a place where we are balanced, and deficit budgets no longer exist at this time.

However, I just want to point out to the Government that one of the reasons that the deficits are larger than it is estimated, it is because of your performance with respect to the collection of capital revenue. Capital revenue estimated in 2016 was 9.5 billion, Actual was 3.9, a difference of 5.6, and the deficit was over by just about six, the estimated deficit. So which means, I am just showing here, that the size of the deficit can actually be reduced if you can collect the capital revenue that you say that you would like to, that you estimate to collect.

In 2017/2018, your estimated capital revenue is 6.4, you only collected 8.33, so there is a significant shortfall. So the shortfall in revenue, in my mind, has a significant or is being affected significantly by the collection of revenue estimated on the capital side. And I ask that this be paid attention to because in 2018/2019, we have estimated 3 billion coming from capital revenue, so it is very noteworthy to pay attention to how this has performed.

I firmly believe that the hope of a balance—or I firmly have—or I believe that the hope of a balanced budget is near. I honestly think that if a cap, or if the reins on expenditure would not be loosened or are not loosened at this time, and all revenue can actually be collected as estimated, we can be very close to an economic performance where revenue may almost be equal to expenditure, this year, if it is that the Government has the same performance with respect to expenditure as they would have done in the first three years.

Madam President, I now move away from revenue and expenditure and focus on GDP for a little bit. GDP over the last couple of years has been on the decline in Trinidad and Tobago, reaching an all-time low or reaching a low in 2016 and experiencing a bit of a rebound in 2017/2018, recording a growth of just about 1.9 per cent.

Madam President, what is very significant at this time, and I wish to say it, is that this level of increase in GDP has been as a result or its achievement was—or it was achieved I should say, with the lowest level of expenditure, so that as less was put into the economy, the economy was still able to experience growth and, therefore, it is doing more with less. [*Desk thumping*]

And so, it is just saying that the way in which expenditure is being placed into the economy, is falling into the hands where the multiplier and circular flow of money is allowing it to expand at the rate it should. And so it is very commendable that at reduced levels of expenditure, we can experience an economic performance as we did last year, and so I really want to commend the Government for that achievement.

With respect to GDP, again, my colleague Sen. Le Hunte—the industry of water and sewerage has actually made its largest contribution to GDP over the last five years, and I do believe it is noteworthy and I want to express my commendation to that. [*Desk thumping*]

With respect to the manufacturing sector, as the hon. Minister in the Ministry of Finance indicated, the manufacturing sector was really the sector that boosted the Trinidad and Tobago's economy over the last year. However, this sector has four subsectors: food and beverage, textiles and clothing, petroleum and chemical products and other manufactured products. While the manufacturing sector demonstrated a positive economic performance and contributed 7.3 per cent additionally to GDP, the petroleum and chemical subsector in that division actually was the strength in that sector, demonstrating an increase of 9 per cent.

Madam President, with respect to that sector, the components or the constituents of that subsector, the petrochemical and chemical products and this

would include refining and other chemical products produced in Trinidad and Tobago.

In my mind, therefore, Petrotrin in our economy would have contributed to that performance if the strength of it is coming from the petrochemical sector and refining. And therefore, I am asking and I am saying here—if I am wrong I stand to be corrected—however: What is the value of the impact on GDP with respect to the closure of Petrotrin?

While we have argued that it is on a cash basis or a cash-flow situation, I am asking the question: What is the potential impact of its closure on GDP?—because the economic performance that we would have experienced can be easily stolen if the output of Petrotrin is not replaced by other sectors in the economy, and therefore I ask that this be considered and be looked at.

With respect to agriculture: Agriculture, Madam President, while I have identified the high-performing sectors, agriculture remains one of the areas in which I remain optimistic with respect to its performance. Its performance has been very erratic, indicating some years of growth and some years of downward decline. Last year it experienced a 15 per cent decline in the performance of the agriculture sector.

Why I am paying attention to this sector, it is that I do believe that this sector has the potential to increase food production, reduce our food import bill, as well as lower reserves.

So with respect to the Minister in the Ministry of Agriculture, Land and Fisheries, I understand that he has work to do, I commend his efforts, but I think we need to be a little bit more robust in that sector, and try to grow that sector—respectfully so, hon. Minister.

However, I would also like to say that in budget statement 2017/2018, the Minister in the Ministry of Finance and the hon. Minister said that we are targeting a doubling of output of the agriculture sector over the next two years, thereby raising this sector's contribution to the Gross Domestic Product to just over 1 per cent. However, at the end of this year it is still about .4 per cent of a per cent, and therefore it is not materializing the expected performance that it should.

The two other critical sectors that I have looked at with respect to GDP's performance and that is mining and quarrying and trade and repairs. Mining and quarrying has recorded its lowest contribution to GDP over the last five years. It has experienced a contraction of approximately 15 per cent since 2015, and has shrunk by a further 1.8 per cent over its last year's performance.

Trade and repairs, its lowest contribution over the last five years, a contraction since 18 per cent and approximately 1.2 per cent decrease over its last year's performance.

Why I have highlighted these two sectors is that manufacturing, trade and repairs and quarrying and mining represent probably about 55 per cent of our GDP. And if these two large sectors, mining and quarrying and trade and repairs, are on the downward slide, it is saying that our economic growth can be stymied by the performances in these sectors. And therefore, I ask the Government to pay attention, and if possible, arrest the decline in these sectors.

With respect to interest rates, Madam President, Monetary Policy Announcement November 24th by the Central Bank held the repo rate at 4.75 per cent. But in June 2019—June 29, 2018 they sought to raise the repo rate, increasing the interest rates in Trinidad and Tobago. And this was severely influenced by the TT/US differential on three-month treasuries. The differential at

the time was 74 basis points. And so the monetary policy committee took a decision to raise the repo rates to 5 per cent.

Two issues here: Lending to the private sector continues to grow in 2018; however, this reflected mainly loans for refinancing and debt consolidation which is signalling that the private sector is experiencing some liquidity problems.

And second, there was nonetheless a widening of the negative differential between Trinidad and Tobago and the US three-month treasury yields over the third quarter, taking it up from minus 83 to minus 86 basis points. So the differential has widened, and we have kept the repo rate as it did on June 29th, but did not increase it in September although we had a widening differential.

The exogenous factor or the growth of the US economy and rising rates in the US economy will influence the interest rates in Trinidad, and if we do not increase it, what you could have is capital flight and investment leaving the country.

However, interest rates in this country, higher interest rates, which we are what we are seeing here, have the potential to decrease or influence aggregate demand in a negative way and suppress the economy. We need to manage and monitor what is going on with interest rates, especially given the fact that there is an external shock or an external factor, meaning the performance in the US that is affecting interest rates in Trinidad, and we do not really have sole control over it. So in order for there to be interest rate parity, we are susceptible to higher interest rates given what is going on in the global economy and especially in the US.

With respect to credit ratings, it is no secret that Trinidad and Tobago's creditworthiness, as reflected via our credit ratings report, has deteriorated over time. From very early on, I warned that this was possible, and now we are

experiencing it.

In 2018, while Standard & Poor's maintained the rating of BBB+, it changed the outlook from "stable" to "negative". What really is BBB? BBB is saying here: "An obligation rated 'BBB' exhibits adequate protection parameters. However,...economic conditions or changing circumstances are more likely to lead to a weakened capacity..."

12.00 noon

And therefore, what is going on or what the credit rating is signalling is saying listen, while there is some element of security, we are vulnerable, and there are certain factors if it plays off, can impact upon us negatively. It is with this in mind that when the budget statement, when it was presented it did indicate that there is a possibility or given the economic performance, that the credit rating or the outlook could actually be changed. Standard & Poor's identified four areas that were needed to be adjusted in order for the outlook to change:

- Exchange rate pressure;
- Restrictions on accessing foreign currency;
- Negative yield differentials on short-term treasury securities, as just explained; and
- Historical gas supply shortages.

We have seen an upswing in the supply of natural gas, so I think the forth factor has taken care of itself. However, exchange rate pressure, restrictions on accessing foreign currency, and the differentials on short-term Treasury Notes between Trinidad and Tobago and the US continue to exist, and therefore, given three of the four factors, remain unsatisfied and unsure, and I remain guarded about making a pronouncement on a change in the outlook as assigned by the credit

agencies.

Further, this credit rating will be affected by persistent budget deficits, deficits larger than being estimated, an increasing debt burden at higher rates of interest, refinancing of loans such a Petrotrin, debt service utilizing a significant portion of revenue annually, and falling international reserves. It is against those backdrops that I am saying, credit the outlook or the anticipation of a better or improved credit rating will be affected by these factors. We need to pay attention to it. With respect to foreign reserves: foreign reserves have also been falling over time; 2015, about 10 billion, and at September 21, 2018, 7.53 billion. So, what we are seeing is a depletion of reserves. I would like to say that the calculated drawdown on reserves, in my mind, remains as a result of the deliberate strategy of the Government to defend the currency, and defending the currency has a direct impact on the cost of living and inflation. Therefore, from that context I can support the strategy. However, I am unsure as to how much further we can carry the strategy as the reserves fall.

But more importantly, as we experience a decline in foreign reserves there is a significant factor that is affecting foreign reserves and that is, balance of payments. Government needs to be commended for the current account being in surplus with exports greater than imports, but the overall balance of payments has recorded persistent deficits over the last three years. And so what that is saying, is that as the balance of payments records deficits, those deficits have a claim to foreign reserves and must be settled. So while the Government seeks to manage foreign reserves in a calculated manner, the performance of balance of payments cannot be calculated, and therefore will have a claim and can cause a further depletion of foreign reserves. And so I ask that the balance of payments account

also needs to be looked at and managed in terms of trade to try and return the balance of payments to a surplus position. Because when you look at the balance of payments position from January to March 2018, it has already worsened by 6 per cent year on year, and therefore the outlook of that account is not positive at this time.

Madam President, the Exchequer Account and balances of the Central Bank overdraft: I think this one is the one that has burdened me the most. It has really burdened me. And while we have started to see some element of growth in other areas, these balances which represent the cash balances of the Government, really signal the situation before us. It is not a positive one. I really want to pay attention to these two balances, because they have affected my thinking with respect to the economic outlook of Trinidad and Tobago and our ability to manage. Madam President, the Exchequer Account moved into overdraft in 2003, and I have said this in this honourable House before; it was just about 537 million. By 2010, it moved to \$10 billion; by 2015, it moved to \$33 billion in overdraft; by 2016/2017, this administration was able to bring it down to 29 billion; but at the end of 2017, according to the Auditor General's Report, this balance, the Exchequer Account remained at an unhealthy position of \$36.5 billion, an overdraft facility. What is worse is that in one year, 2016 to 2017, the balance on the Exchequer Account worsened by \$7 billion, 29 to 36. Why this is of concern to me, and everyone in this honourable House would be aware, when the 2015/2016 budget was presented the hon. Minister of Finance said that these accounts were allowed to just run away. And today, some three years after, this current administration, we are seeing that you have taken the Exchequer Account, the same account that you have chastised in Budget Statement 2015, we are seeing it at a worse position at this

time. [*Desk thumping*] With respect to the overdraft facility at Central Bank, 2016, according to the Auditor General's Report, 5.5 billion; today, at the end of 2017 I should say, negative 10.5 billion. A worsened position at the Central Bank overdraft by approximately \$5 billion.

Madam President, these are significant factors, and I am quoting it based on the Auditor General's Report, and it needs to be addressed. No administration has taken heed of these balances and sought to address it in any way. And when we get into office or when a regime gets into office we chastise the former regime for a pattern of expenditure and performances on these accounts, and when we get into office we do the same thing, leaving these balances at a worsened position. Who is really affected by these balances? And it is really the citizens of Trinidad and Tobago. They are not here to defend themselves, but with my voice I can raise a flag and say, these accounts—while we applaud the achievements of the Government—and someone, whether now or into the future will be confronted with the decision to begin to address these balances. And I ask that this administration focuses on these balances and attempts to get it down, because everyone knows that when a new administration comes in, whether it is the same political party or another, these balances will just go again. Who will take the responsibility to secure the future and future generations of Trinidad and Tobago?

Madam President, with respect to the NIF, the Government has had a very successful launch of the NIF and a great participation with it. I commend the Government for doing so, and in their strategy. However, there is a significant question that I raised in my debate when we sought to debate the Motion to exempt the NIF from corporation tax. And I am reading from *Hansard* here, Wednesday, June 27th, and I said:

“I am asking for an indication of whether or not the Government has the intention of holding on to the \$3.9 billion investment in this fund. Is it that we are going to see...”

—further debt being raised, or further revenue being raised from this facility.

The reason why I raised this issue is because your capital repayments and your interest payments are funded by the dividends on that account. If \$8 billion in assets is funding a \$4 billion debt, then the investors are somewhat safe. But if you start to increase the debt against those assets, then I am unsure of whether or not the performance of those assets can actually meet both capital and interest payments of the existing debt and the new debt. So therefore, I ask that some element of caution be placed with respect to issuance of new debt in the NIF given that you have already collateralized the 4 billion, I think, and you have a buffer of 3.9. How much more of it are you going to issue as debt?

Again, a point that I have always stuck to in this House, and no debate or no contribution of mine on financial matters will ever be omitted—this point will ever be omitted from, is that of debt. Debt in this country continues to run away from us, Madam President. We are tossing around a ratio of 61 per cent thereabout, of debt to GDP. But let me remind this honourable House that net public sector debt that you are referring to, and that there are other forms of debt that you have undertaken. And, Madam President, with respect to the debt position, there are other areas which need to be included to ascertain the total debt of this country. Everyone knows again, an undertaking was given in this House to present a debt management strategy for us parliamentarians and the country, to know how debt will be managed. That was done on December 08, 2015, when the Developmental Loans Act was brought for an increase in debt limits. To date, some three years

later after it has been assured on this honourable House, and in this honourable House, it has not been given. And I ask the Government as to why? You have given the assurance, you have not indicated such, and I remain concerned about the level of debt that this country is being exposed to.

In the last year, 2017, we saw an increase in net public sector debt by 20 billion, taking it up to 96 billion. Madam President, in the absence of data from the Government, and a strategy, I am forced to try to piece this puzzle together, and so I am going to present some figures and I can quote my data sources, and this is what I used as a basis of my debt calculation. Net public sector debt: 96 billion. Then we have generated from a joint select committee report on the borrowing practices of state Enterprises, chaired by my fellow Senator, Sen. Small, as published in the public domain, saying that state enterprises carry a debt value of \$44 billion. That constitutes both contingent, those guaranteed by the Government, and not guaranteed; 44 in total. If you add 44 to 96, you are going to get 140. And then you have the balance on the Exchequer Account which is 36.5 billion, taking it up to 176.5 billion. And then you have government-to-government arrangements, which I do not know the value, and I am just saying for round calculations, 3.5 billion, taking the debt level up 180 billion. What is GDP? 158 per cent. So if we want to use debt to GDP, let us use 180 to 158 and recognize that we are 115 per cent of GDP in debt, and those are actual balances that have to be paid. That is not just net public sector debt.

So, I am concerned about the debt level in Trinidad and Tobago. And, Madam President, as we increase the debt profile, the debt burden will also increase, but our revenues remain small. According to the *Review of the Economy*, the debt service was just over 8.7 billion over the last year, representing about 20

per cent of total revenue, and maybe 25 per cent of core revenue. That is an estimate, I did not really check it to pull the actual percentage. And therefore, if your debt service is increasing at a time of restricted revenue, it is just saying, as you service your debt you have less money to manage the economy. And so, it is saying to me, that as debt increases, your debt service increases, less money for you to manage the economy, our expenditure remains at 50 billion, deficits are going to continue, borrowings are going to continue, and therefore, where will it end or when will it end? Very concerned about debt service.

Madam President, I have offered many points on one perspective, but different components are caught for this fiscal package. And I wish to just wrap up my contribution at this time as I come to an end. I have highlighted that the global economic outlook has signalled positive growth for the global economy, but has cautioned that there are risks that will affect this growth. So too as the Government of Trinidad and Tobago has experienced economic growth, I too am saying, there are areas of our economy that present risks that we remain vulnerable to. Revenue, expenditure, and deficits. I have gone into revenue and showed that the performance of capital revenue is significantly affecting the revenue collected by the Government, and putting the Government in a deficit position with respect to revenue. The deficits continue to exist, but they are getting smaller, which is a positive sign, but we need to get to the place of a balanced budget. And I am saying that this year presents a good year if expenditure is managed as it was in the past, that we can come very close if actual revenue—if estimated revenue is actualized, a very close position where revenue could almost equal expenditure.

With respect to GDP, I commended the Government with respect to the growth, but I have also highlighted certain sectors; the agricultural sector, which I

think has a great opportunity to contribute to the GDP of this country, and that there are two sectors: trade and repairs, and mining and quarrying, that are strong contributors, but have been on the decline. I ask the Government to—

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

Sen. T. Shrikissoon: Thank you, Madam President. I ask the Government to just look at this and determine whether or not it can be arrested, and especially with mining and quarrying, in keeping in line with environmental protection and laws. I also signal that rising interest rates in the US are impacting on our interest rates locally, and therefore the cost of debt will increase. It is affecting the private sector, and rising interest rates can also have an impact on the GDP.

With respect to credit ratings, our credit ratings have been on the decline, however, the four factors that were identified by Standard & Poor's, three of which we remain exposed to, namely: exchange rate pressure, restrictions on accessing foreign currency and negative yield differentials. These can impact on our credit rating. Foreign reserves are falling, but again I am saying, I understand why, but we need to get to a place where we will decide at what level—that we can no longer afford it to defend the currency. The surplus on the Current Account continues to be a strength. However, overall balance of payments continues to record deficits which represent an outflow and a claim to depleting foreign exchange. The balances on the Exchequer Account and overdraft at the Central Bank remain disappointing for me, because it is representing a level of indebtedness that we need to address, that no administration is paying any heed to.

With respect to the NIF, success was experienced by the Government, but I caution against new debt in terms of matching the cash generated as dividends out of the assets, against the outflow required for payments of interest and redemption

of the bonds. Debt levels continue to increase, and there is justification for it in terms of GDP. But let us not talk net public sector debt, let us talk total debt. Can someone, during the debate, signal what is the total debt of this country and not just net public sector debt? And I am not talking about total public sector debt which has a figure for sterilization. I am talking about net public sector debt and all the other areas of debt. Can someone indicate that?

Madam President, as I come to an end, my contribution today means no element of disrespect to anyone, but I honestly hope that it is taken from a perspective of an individual or a citizen with a desire to see our economy grow and flourish. I commend the Government for the areas that you have experienced growth and performed well, and I have highlighted areas which I think need at least some level of concern and to be addressed. And I think, if that is done our economy will continue to grow from strength to strength as demonstrated in its recent turn. However, as I end now, I am saying, your 2015 budget theme or election campaign, “Let’s do this together”, is not in sync with your closing budget statement, “We did it our way”. [*Desk thumping*] And to close, Madam President, I am saying, Proverbs Chap. 11, verse 4:

“For a lack of guidance a nation falls,
but victory is won through many advisers.”

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

The Minister of National Security, Minister of Communications and Minister in the Office of the Prime Minister (Hon. Stuart Young): [*Desk thumping*]
Thank you very much, Madam President. It is indeed a privilege and an honour to be allowed to contribute in this House, and in particular, to contribute on the area of national security. Madam President, the Government recognizes and has always

recognized and accepted that national security is a critical element in the whole make-up of the Government and the country, and in fact, plays a very important role in the security and the safety of our citizens, hence the reason that it has been given—the National Security Ministry has been given a budget of over \$6 billion for 2019.

Madam President, I am here today to provide a message to the citizens of Trinidad and Tobago through this contribution, that this Government is not into the politicization of crime; that we are committed to working with law enforcement and other bodies and citizens who are prepared to do what they can to alleviate and to address the issues of crime, which unfortunately are multi-pronged in our current society. I would like to bring and start, Madam President, by bringing to the attention of our citizens, something that has this administration very concerned and something that has our law enforcement officers, the men and women who are tasked with the responsibility of providing a safe and secure Trinidad and Tobago, very concerned. That matter, an issue, is one that has become known in the world that we live in today, as fake news. I call it the distortion of reality via social media.

I start with that, Madam President, because the population is under siege, not only by the real elements of criminal activity, but also by the use—by those in our society who are intent on being destructive—of social media. Madam President, it is common knowledge, that there is a plan that is being implemented and afoot, that is being led by those who at one stage played a role in the Government of Trinidad and Tobago, and the use of certain Facebook pages, the use of WhatsApp, and other social medium to distort the reality that exists out there. And whilst we are being besieged with all sorts of distorted reality—and including a few weeks

ago, a message calling on citizens to block intersections and to block roads—we are also seeing the use of all sorts of fake conspiracies surfacing, not only to distract law enforcement—because every time one of these occasions takes place, it affects law enforcement and the provision of law enforcement services to citizens of Trinidad and Tobago.

And, Madam President, I want the citizens of Trinidad and Tobago to know, we have taken note of where this information is coming from. In fact, it was interesting that yesterday after the post Cabinet press conference, I was provided with information, not via any interception, not via any secret service, not via any of our law enforcement agencies, but by citizens of Trinidad and Tobago, who came up to me and showed me their telephone, and showed that in that period of the post Cabinet press conference, a certain individual very much associated with those on the other side, was besieging them with complete lies, in the hope that they would then question the Government and send persons down certain fake rabbit burrows, so to speak. This should not continue. I expect it to continue. I expect the individual and his whole mechanism, and the use of Facebook pages, like “kick out PNM”, and “exposeTT”, and all of these pages, to continue with not only their disruptive, but their destructive messaging. But today, I stand in this House, Madam President, and I tell the civic and right-minded citizens of Trinidad and Tobago, take note. Take note of where those messages are coming from, where the distortion of reality is coming from, and be assured that this Government is not participating in that behaviour, and our law enforcement officers have asked that this be brought to the public’s attention. [*Desk thumping*]

I will develop that later on, Madam Speaker. Madam Speaker, sorry, Madam President, there are various very important bodies that fall under the

umbrella of National Security, and a part of our National Security apparatus, who are charged with the responsibility of providing for the safety and security of Trinidad and Tobago, and I would like to just talk about a few of them. We have the Trinidad and Tobago Fire Service, we have the Lifeguards of Trinidad and Tobago, the Trinidad and Tobago Prison Service, Immigration, the Trinidad and Tobago Police Service, Trinidad and Tobago Defence Force, our probation services, and the Cadet Force of Trinidad and Tobago. I would like to start at the outset, Madam President, by thanking the dedicated men and women who are part of all of these establishments, and letting them know that as citizens of Trinidad and Tobago, and in particular, as the Minister of National Security, they have this Government's full commitment to work along with them, with our limited financial resources, to extract the best value, firstly, for the men and women who form part of these services, and secondly, by working along with them for the citizens of Trinidad and Tobago.

I have met with the associations and the executives of the Trinidad and Tobago Fire Service, the Lifeguards, the Prison Service, the Trinidad and Tobago Police Service, the Defence Force. I have met with Immigration, and all of these other bodies, and they have asked that I highlight some of the discussions that we have been having. I would like to start with the often forgotten and sometimes hidden in the shadows, Lifeguards of Trinidad and Tobago. The Lifeguards of Trinidad and Tobago fall under the Ministry of National Security. A Cabinet colleague asked me recently, should it not be with the Ministry of Tourism, and why is it with the Ministry of National Security? We at the Ministry of National Security are pleased to have as part of our cadre, the lifeguards, and as I explained to my Cabinet colleague, our policy is that lifeguards provide for the safety and

security of persons at our nation's beaches.

So, today, as a citizen, I ask that we thank the lifeguards for the service that they provide in often very difficult circumstances. I give them the assurance that in this fiscal year we have gotten some money and we will utilize that money to improve the conditions that they operate under; the use of jet skis, the use of other equipment. We cannot provide to all of the established locations, but I have promised the lifeguards that we will work along with them to ensure better facilities, and services, and conditions. [*Desk thumping*]

The next area I would like to talk about, is the Trinidad and Tobago Fire Service. I have met with the Trinidad and Tobago Fire Officers Association and the executive, they have highlighted a number of difficult areas that they operate in. In my touring of their headquarters, I am disappointed to report that after all of these decades and the amount of money that we have had in country, and money that we have spent, they still are operating under subpar conditions. I saw their dormitories, their officers' mess, the areas that they are operating in, and I have given them the commitment, that we will work alongside with them, not only to try and improve their facilities, but I have also begun reaching out to some of our foreign allies to provide much needed training, train the trainer training, and to improve their whole element of how they operate in Trinidad and Tobago. And I give them the assurance that this Government, and this administration is going to do all that it can. Resource some of the equipment that they are utilizing. We have gotten in the budget, increases in the fire services, and it is to try and upgrade their equipment and services, and also we are looking at what can be donated to assist the Trinidad and Tobago Fire Service, in Trinidad and Tobago.

I will be visiting some of the more far off, they have asked me to visit the

Point Fortin Fire Station and some of other stations that are in need of repair. It was interesting in the other place, we were being asked questions about the Mayaro Fire Station, and a lot of hurrah about the Mayaro Fire Station, where I remind the population after the ribbon was cut, without a single fire tender purchased for the fire station, without a fire officer population assigned to the fire station, the sign fell down. The sign has been repaired. We do not have the full fire service population there, but we have a working population there, and in this year we hope to outfit them with the tenders that they deserve. [*Desk thumping*]

A lot has been achieved with the Immigration Department in past year, and we expect to achieve a lot more in this year. Madam President, this Government is very aware that part of the problem that we are facing with crime right now, is that our borders are too porous. Our borders are too porous. And the reason for that, the population knows, is that they were not properly secured for a period of time. I would like to say at this stage, the Immigration Services are working overtime, the officers have given their commitment, we are upgrading the technology and the software that they use. We are also in discussion with our American allies about the implementation of a system called PISCES which allows us to be part of a global network, that gives us more access to databases that allow us to know certain wanted persons who are wanted for crimes in various jurisdictions, or red flagged individuals when they come or attempt to enter our shores. The Immigration Services have our commitment, we will continue to work with them. We are identifying at some of our seaports, the improvement of the systems and use, because the Government does not have its head buried in the sand, and knows that what is happening in our neighbouring country of Venezuela, is somewhat affecting us, and we prefer to be prepared and dealing with the issue than waiting

for it to become any crisis, which it is not.

Madam President, the Trinidad and Tobago Prison Service: The Trinidad and Tobago Prison Service is currently under a national spotlight due to some very unfortunate and tragic incidents that have taken place with the killing of two of their officers within the last couple of weeks. The Government has offered its full sympathy and condolences. And I would like to say that from day one, coming into this position, I have been meeting with the Prison Officers Association, Mr. Ceron Richards, and under the astute leadership of Mr. Gerard Wilson, who is on leave, the Acting Commissioner of Prisons when he was on leave, and the current Acting Commissioner of Prisons, Mr. Dane Clarke, a lot of progress has been made.

12.30 p.m.

On my first meeting when I toured the Maximum Security Prison and the Remand Yard and mixed amongst the prisoners as well, I listened to both the perception of the prisoners and how they saw the world through their lens as well as the prison officers. I am happy to report to the prison officers, one of the things that they asked for on that occasion and I was quite surprised we did not have it as yet, were stab vests. We have procured stab vests for the prison officers and we hope to be able to deliver it as soon as it arrives within the next couple of weeks.
[Desk thumping]

Another issue that they raised with us is the implementation of a state-of-the-art technology alarm system at maximum security. We are also in the process of procuring that for them, almost immediately when it was raised and that is another one of the initiatives that we are going to deliver in a short timeframe.

Madam President, one of the things that has been implemented in the past

couple of weeks and, in fact, in my meeting with the heads of security on Monday of this week and we had a National Security Council meeting yesterday afternoon, is the use of the interagency operations. I would like the public to know and the prison officers to know that that has been implemented. We intend to expand it because we believe that with the support of the police service and the defence force within the prisons it is going to assist in providing extra safety and security for the prison officers.

We are going to upgrade the technology that is available for the prison system. There are a couple other projects that we will focus on this year; the completion of the video conferencing facility which I toured a few weeks ago is only 50 per cent complete. I am determined to bring that into use and implementation in the next fiscal year. It will provide six to seven video conferencing courts, which means that we do not have to transport prisoners to all of the various sections of Trinidad and Tobago. Therefore, providing extra security for the prison officers, because they are less exposed, but also, hopefully ensuring that the prisoners who are part of this whole system get their access to justice a lot quicker.

We are also looking at the building and the construction of a special court within the confines and safety and security of the prison grounds for high profile prisoners to deal with their matters expeditiously and in a safer environment. One of the things I have discussed with the Prison Officers' Association and the executive and I am happy to announce today to the prison officers, the implementation of—there is always a cry for firearm user's licences. We have a different philosophy, because when you issue firearm user's licences, the liability becomes a personal liability and it just changes the whole landscape. In the

various services, there is something called a “keep and carry” which is really an opportunity or an ability to carry a service firearm when you are off duty. This is something that I have already taken the steps to implement. I am happy to announce that we have procured or we are in the process of procuring 200 to 250 handguns immediately to assist the prison service in increasing their “keep and carry”. [*Desk thumping*]

One of the things national security is doing is, we are looking at upgrading the whole CCTV camera system that operates throughout the country and the vision is for it to properly feedback into a national operation fusion centre. I tell all of law enforcement officers today, part of that process, which is ongoing, and I have just given the instructions, that I would like it completed, the evaluation of the bids by the end of this month, so that I can go to the National Security Council and then Cabinet with it, is we will look at utilizing as much of that network to provide coverage at the various law enforcement officers homes if possible, if not, we are looking to upgrade that and integrate a system where that will be provided to them. [*Desk thumping*]

In particular, for the prison officers, we will be coming with legislation, I said by January, that to help and assist, it is what they have asked for from two aspects. The legislation will increase the possible sentencing, fines and penalties for those who carry out any heinous acts or attacks and in a worst case scenario, a horrendous murder of any of our law enforcement officers. We are going to increase, well murder is murder with a sentence, but any of the other crimes that are committed on any law enforcement officer in Trinidad and Tobago, we intend to increase the penalties. And I am putting, not only law enforcement on notice now, Madam President, not only the population and the citizens of Trinidad and

Tobago on notice, if that legislation requires a special majority, I am telling the world at large that the Government of Trinidad and Tobago intends to give its full support as we bring that legislation to Parliament and we hope all of those who have a responsibility in legislation will also support it, to send a signal that to attack any law enforcement officer in Trinidad and Tobago is unacceptable.

The next part of the legislation is, any law enforcement officer in Trinidad and Tobago who is found committing a crime, for example, taking illicit contraband into the prisons, we intend to bring specific legislation to make that specific criminal offences with substantial penalties and sentencing abilities to try to eliminate or to at least frontally attack that type of behaviour which has created this horrendous monster in the prison service. And I give the commitment now as the Minister of National Security that that legislation is going to come to Parliament by January of next year, if not before. [*Desk thumping*]

Our Trinidad and Tobago Defence Force, I thank all of the men and women in the Trinidad and Tobago Defence Force for the remarkable jobs that they continue to do as do all of the others. The Coast Guard systems as the population would be aware play a very important role in our border security. We are in the process of upgrading their fleet. I have heard once again all manner of distortion of truth, distortion of facts by those on the other side, as well as some outside, with respect to the procurement of two Austal Built Cape Class Vessels.

First point: When the Prime Minister of Trinidad and Tobago, Minister Moses was there as well, in London at the CHOGM visit this year, asked to have a bilateral conversation with the then Prime Minister and Foreign Minister of Australia. It was immediately announced to the world at large and in the full glare of the world what those discussions were about. We have a need for fast ferries,

we also saw a need to secure our borders and the Australians are known for building some of the best marine vessels in the world. And at that time, Minister Moses can attest, the Australian Prime Minister told our Prime Minister there is a new fund in Australia that we may be the first to access where they are willing to provide funding for the purchase of military vessels from Australia.

We then followed up with a working visit to Australia, we came back and told the country that we have managed to get access to the fund by the Australian Government and we are looking at purchasing two of these Australian Cape Class Vessels. There is no secret. There is nothing untoward, there is no surreptitious behaviour in that whatsoever. They asked about the procurement, it is something that is called Government to Government, Austal is recognized as one of the best marine vessel builders in the world and ironically, their naval and border patrols are using these vessels and there are a number of, a host of other Pacific islands are placing orders with Austal for these vessels. The American, the US Navy, Austal has a shipyard in Alabama specifically to service the US Navy as they build vessels for the US Navy.

There is everything above board and I ask the population of Trinidad and Tobago not to be distracted by those who are on a destructive path of Trinidad and Tobago. If we had the OPVs when we should have had them a lot of the illegal arms and ammunitions [*Desk thumping*] that are here now, would not be here. Cancel the OPVs but keep the helicopters. I remind the population when we came into office one of the helicopters that was supposed to be used for national security was being used as a glorified maxi taxi limousine with a wet bar and a flat screen TV for those on the other side, as opposed to being used in law enforcement.

The Coast Guard's Radar System, again, was neglected in the past few

years. We have given the go ahead, not only for the proper maintenance, restoration, but upgrade of the Coastal Radar System that is also going to help us in the protection of our borders. When we came into office, what we were told recently, is that out of the 25 interceptors to be used by the Coast Guard they were down to only five being able to be used, because a complete lack of a maintenance schedule, a complete lack of funding during a certain period in time, we are going to order some new interceptors and we are looking to see out of the fleet of 25 how many can be repaired and get them back into the water to protect our borders. These are some of the initiatives.

The level of training we have been able to access is an administration coming in for our defence force with our allies has been increased. We have worked very hard, Minister Moses' Ministry and other arms of the Government [*Laughter*] in ensuring that the relationships were rebuilt with some of these allies of ours. I hear the laughter on the other side. I will tell the country here that when we came in as an administration, one of the first issues we faced in national security and we were told of, at the highest level of the National Security Council, is during a specific period, prior to 2015, there was the non-sharing of information, because there was a serious international concern about people in the room. That does not apply to this administration. [*Desk thumping*] We, once again, through very hard work and efforts have full access to all intelligence provided, by all of those countries in the world now; that was rebuilt. [*Desk thumping*]

Another area that we are looking at improving is the whole CCTV camera coverage as I just discussed, Madam President. The bids are in, we are looking at feeding that straight into our National Operation Centre. We are right now rebuilding and putting in place the policy to ensure that our National Operation

Centre works as a fusion centre and that every arm of national security; the police, the defence force, the SSA, the fire services, customs, immigration, the prison services, and ODPM have seats inside of the fusion centre, and this will help us in our attack on crime as every element of the apparatus will be seated there, the intelligence coming in first-hand and then we manage to feed it out where it needs to be fed out.

Trinidad and Tobago Police Service. I would like to remind the population one of our manifesto promises was for the first time since 2012 to have appointed a permanent Commissioner of Police; that was achieved. We welcome Mr. Gary Griffith into his role. He has been performing very well. We have an excellent partnership. And I would like to take this opportunity to remind the population that at the time, in another place that is charged with the constitutional responsibility of appointing a Commissioner of Police, not a single Member of the Opposition supported the appointment of Mr. Gary Griffith. Not a single one of them supported the appointment of a permanent Commissioner of Police, even though he served as a Minister of National Security alongside with them. Let the population remember that and let those on the other side explain at some stage why they did not want to support a permanent Commissioner of Police being appointed in Trinidad and Tobago. [*Crosstalk*]

Madam President, with the appointment of a permanent Commissioner of Police we have immediately seen a change in the police service, people are settling down, the police service is embarking on a number of elements, and I would like to remind the population of some of the salient points that will be made, and some of the matters that will be implemented by the police service in 2019. An operational command centre that will be manned 24/7, and this is for the emergency calls. We

are currently populating that. We are going to increase the resources there to ensure that this command centre, once a citizen calls, their call is answered and they can be directed to service. That is married with, we are very soon going to be launching a new fleet of vehicles that will be placed in strategic locations throughout Trinidad and Tobago that when the call go the vehicles would be best positioned to get to the scenes of crime, to prevent crime, to deter crime, et cetera, throughout Trinidad and Tobago. We should see that launch within the next couple weeks.

Madam President, the National Operations Fusion Centre that I have touched on will also be operationalized and utilized better. You are going to see a revamping, rebranding and expanding of the K-9 Unit. Some of the use of technology that we are going to be utilizing with the Trinidad and Tobago Police Service is the GPS systems in vehicle tracking, dashboard cameras, body cameras on police, laptops and tablets for all police vehicles, the computerization of all police stations. It shocked me, Madam President, that in this day and age there is not a central server for the police service. At all of the police stations allocated to, we are going to utilize technology to increase and drive the benefits there.

Another area you are going to see introduced is the use of non-lethal weapons by the police service, by the defence force as well as in the prison service, and we are talking specifically about Tasers use of rubber bullets and even the use of pepper spray, because we have looked at it and the law is that they can utilize it, so we are in the process of procuring it for those three various bodies.

At this stage I would also like to thank the officers who worked tirelessly in the SSA. Again, a lot of destructive comments are made about these men and women, but I can tell you having gone through a number of operations and seeing

how they work, or rather the output of the work that they do along with the Defence Force and the Trinidad and Tobago Police Service, these unnamed men and women are to be congratulated for the work that they are doing to keep Trinidad and Tobago a safe place. [*Desk thumping*] Madam President, may I ask how much more time I have?

Madam Speaker: You have until three minutes to one.

Hon. S. Young: Okay, very good. So, Madam President, these are some of the areas that national security is focused on in the next year. We are also going to be having conversations with the various service commissions to try and ensure a recruitment of officers and men and women into the various arms of national security. I stand here today without fear of contradiction by any of the services under the Ministry of National Security to say to the population that we are working together. The bonding that has taken place and utilization of all of the various technology and resources of each of these elements and arms of national security is coming together and that can only redound to the benefit of the citizens of Trinidad and Tobago.

Madam President, one of the areas that I will now turn to and move my discussion and contribution to, because there is again a whole propensity and concerted effort by those on the other side to distort the facts and reality of the issue of Petrotrin. I was listening a short while ago to the contribution on Petrotrin and the complete fabrication of information with respect to Petrotrin. So I use this opportunity now, Madam President, to tell the country that what is taking place at Petrotrin now is at the end result of a very long—

Sen. Obika: Standing Order—continues to name you as, Madam Speaker, when it is, Madam President.

Hon. S. Young: Madam President, at a very long arduous, meticulous process and that is what this is about. I heard the allegations of union busting and attacks on the unions and the workers. Again, I stand here without fear of contradiction and I remind the population, and I remind comrade Ancel Roget that in 2014/2015, the then Prime Minister, thankfully now the Leader of the Opposition, led a charge directly against Ancel Roget. She stood in this Parliament and basically made allegations about Ancel Roget and that he caused the death of a working Trinmar. What the population may know, at that stage she also then instructed—

Sen. Obika: Standing Order 46(6), imputing improper motives of a Member of the House of Representatives, Madam President.

Hon. S. Young: What also then happened, Madam President, is that there was a move by the leadership of the UNC to remove Mr. Ancel Roget from his substantive post at Trinmar. I remind him and the population of that here today, and I can say it, because I was the person who defended him and made sure it did not happen.

What also then happened in the House, in this other place, in the House of Representatives, was when Mr. Ancel Roget wrote to the Speaker, the then Speaker, who unfortunately is not here now, he refused to even read the letter of Mr. Roget in which he was seeking to respond to Kamla Persad-Bissessar at the time. So, if that is not an attack—

Sen. Obika: Sen. Mark. Standing Order 46(6), Madam President. The Member is out of line.

Hon. S. Young: Madam President, I do not know if that is the type of behaviour that takes place here.

Madam President: Continue, Minister.

Hon. S. Young: But I am not going to allow it to distract me. What I am stating are facts, there are irrefutable—“little boy sit down nah”.

Sen. Obika: Standing Order 46(4), offence and insulting behaviour that is taking place. I am simply calling Stand Orders to point—

Madam President: Sen. Obika, you do have a right to invoke a Standing Order. But you also must invoke the Standing Order, a relevant Standing Order properly, okay. Continue, Minister.

Hon. S. Young: Thank you very much. So, Madam President, I start with that, that if that is not a direct leveled, strategic, thought aforesaid attack on the head of a union, specifically and personally, I do not no know what else is. This Government is engaging in no such behavior. Why Petrotrin had to be restructured is because if it was not restructured it had the opportunity or the potential rather to bring down the economy of Trinidad and Tobago.

I would like to tell the population and the citizens, through you, Madam President, that with every sovereign downgrade there are certain triggers that come. The last two sovereign downgrades that Trinidad and Tobago faced, directly as a result of, what was taking place at Petrotrin when you go back and read the Standard & Poor's and the Moody's downgrades they linked it to what was taking place at Petrotrin. The last one that took place, it triggered a US \$200million Japanese loan and it then went into default, because if you were downgraded they were able to call upon US \$200 million to be repaid within seven days. Fortunately, the Government got 14 days—

Madam President: Minister, you have five more minutes.

Hon. S. Young: Thank you very much, Madam President. Fortunately we got 14 days and had to repay over \$1 billion. If Petrotrin was not dealt with, dealt with in

the manner it is currently being dealt with and not restructured and there was another sovereign downgrade, there would be over a \$100 million of potential cross default to the sovereign of Trinidad and Tobago. So this Government has done what needs to be done and it has absolutely nothing to do with all that is being suggested by those on the other side.

Another issue that has been raised is the issue of deficit, and it is a deficit budget. And every time we sit here and we hear those on the other side talk about a deficit budget, I remind the population that between 2010 and 2015, the price of oil had crossed \$100, [*Crosstalk*] right, had crossed \$100 and they still had five years of deficit budgeting.

Sen. Ameen: Madam President, I just want to ask for your guidance 62(3) with regard to a Minister attending any Sitting? I do not have to read it out, but—

Madam President: No, Senator. Continue Minister. Please.

Hon. S. Young: Thank you very much, Madam President—[*Crosstalk*]

Madam President: Sen. Obika!

Sen. Baptiste-Primus: 51(f), Madam President.

Madam President: Sen. Obika. Please, I do not want to have to caution you, again. Continue, Minister.

Hon. S. Young: Thank you very much, Madam President. The population is looking on and the population is seeing exactly what is going on and it is a smart population. Deficit budgeting took place for five years and three months under those on the other side. [*Crosstalk*] There was some talk about Poten & Partners, I would like to tell the population and their suggestion that—[*Crosstalk*]

Sen. Baptiste-Primus: 51(f) please, Madam. I am trying to listen to my colleague.

Madam President: Continue, Minister.

Hon. S. Young: There is a suggestion that nothing is going on as a result of the Poten & Partners. That is absolutely wrong. Madam President, as we are currently speaking the Government is engaged in intense negotiations and discussions with both bp and Shell. In fact as I leave here I am going to reengage bp along with the Minister of Energy and Energy Industries in continuing those discussions to ensure for the first time that the population of Trinidad and Tobago gets a fair value for the gas of Trinidad and Tobago. [*Desk thumping*]

And I remind the population when they talk about leakage and they talk about taxes, that it was under the other side's administration in 2010 to 2015, they allowed leakages of billions of dollars under the gas regime. [*Desk thumping*]
They never utilized the Petroleum Pricing Committee which is now in place and can deal with transfer pricing.

I would also like to end, Madam President, by just reminding the country when we came in as an administration, there was a crisis in the gas sector that crisis has now been completely stabilized, we have been working along with downstream and upstream and it is at absolutely no thanks to those on the other side.

Hon. Senator: "Ooooh."

Hon. S. Young: Also, the suggestion—the immature behaviour is remarkable from the Opposition Bench, Madam President.

Madam President: Minister. Please.

Hon. Senator: Please.

Hon. S. Young: Being led by, please, please, please.

Madam President: Minister, just—

Hon. S. Young: I would like to remind the population or just correct again the fictitious distortion of truth by those on the other side and this remarkable suggestion that what is happening at Petrotrin has anything to deal with A&V Drilling. That is completely false. It affects A&V Drilling in no way whatsoever. Petrotrin, the entity, continues to deal with legacy items which will include the A&V Drilling arbitration. So the suggestion that it is being shut down to deal with A&V Drilling is completely false and once again an attempt to mislead as usual by those on the other side.

Madam President, I thank you very much for the opportunity to come here to contribute. [*Desk thumping*]

Sen. David Small: [*Desk thumping*] Thank you very much, Madam President, for allowing me to make a contribution on this important Bill.

Madam President, we have had a very warm morning in here dispute the wonderful weather outside and I have a slightly different approach, Madam President, because unfortunately for me I am not used to making statements that have large exceptions to accuracy. That is not what I am known for and I certainly do not know anything about alternative facts. I work hard and I take this responsibility very seriously. When I come here and I work hard to make sure that when I say something, it is something that is on the basis of proper analysis.

Madam President, Trinidad and Tobago is blessed to be a democracy. And if you would permit me, Madam President, and I have had the distinct experience of having to travel to other places that are not democracies and I can say that, listen I like where we are. With your permission, Madam President, I would like to begin my contribution today with a quotation, and it goes:

“Democracy means equality opportunity for all in education, in the public

service, and in private employment...Democracy means the protection of the weak against the strong. Democracy means the obligation of the minority to recognize the right of the majority. Democracy means responsibility of the Government to its citizens, the protection of the citizens from the exercise of arbitrary power...

...Indiscipline, whether individual or sectional, is a threat to democracy. Slacking on the job jeopardizes the national income, inflates costs, and merely sets a bad example....

Whatever the challenge that faces you, from whatever quarter, place always first that national interest and the national cause.”

That is a quote from the Independence Day address by the late Dr. Eric Williams. [*Crosstalk*]

And, Madam President, I use that deliberately because I want to set that as the tone for my comments today. Because the obvious question that arises is, what is the national interest? What is the national cause? And I am sure depending on who you ask you will get a different response from every person you ask. Webster’s online dictionary defines the national interest as:

“the interest of a nation as a whole to be held”—as—“an independent entity separate from the interest of subordinate areas or groups...”

Madam President, I have endeavoured in my time here to make contributions and to conduct other work with a clear intent, the national interest. For so long as I have the privilege to be able to contribute in this place I will continue to be resolute in my position, offering balance and research views without fear or favour. My record here shows that I am not concerned or worried about being popular. My single focus is making sure that my analysis suggests, my

comments are based on what my analysis suggests is the right thing to do in the national interest at all times, Madam President. That is my focus.

Before I delve into the specific areas about what I want to talk about today—

Madam President: Hon. Senators, at this juncture we will suspend the sitting and we will return at 2.15 p.m. Sen. Small you will then have 36 minutes of speaking time remaining. So we are suspended until 2.15 p.m.

1.00 p.m.: *Sitting suspended.*

2.15 p.m.: *Sitting resumed.*

Mr. Vice-President: Sen. Small, you have 36 minutes. [*Desk thumping*]

Sen. D. Small: Thank you very much, Mr. Vice-President. Mr. Vice-President, as I continue my remarks and my contribution to this debate today, before I delve into the substance of the areas I want to talk about, and I want to say what I am going to say, I mean no disrespect at all to the hon. Minister in the Ministry of Finance. But I want to give—permit me, Mr. Vice-President, to give a thank you to the tremendous team at the budgets division in the Ministry of Finance. [*Desk thumping*] I think that all of us would have received a package of documents, a very heavy bag, and maybe we are not sure of how much effort that goes into the preparation of this package. And I do this deliberately, Mr. Vice-President, because it is just, as a country, we seem to be very quick to criticize public officials yet very slow to praise them, especially those who, day after day, and many times into the night, just work to preserve the order in our public system. And most of these people, several of whom I still interact with, they do not seek any praise or honour, they are just trying to do the best job they can do. And we should always remember that.

So I am going to talk now, just some introductory remarks, just to shape my

thinking as I go forward. Mr. Vice-President, change is the essential process of all existence. If we sit in a place and expect things to remain constant forever, then we need to get some sort of examination. For me, the past, I use it as a reference. I take the lessons about what has worked in the past and then I try to avoid the pitfalls going forward. I live in the present but I also have an eye to the future.

Mr. Vice-President, we have a challenge in Trinidad and Tobago about what I describe as removing lips from the teat of the public purse. And I spell “teat”, t-e-a-t, because this is something that extends throughout, around the system where, because the public purse has been widely extended to so many parties and peoples, the process of removing those lips from around that teat is proving to be very painful.

Economic overview: Mr. Vice-President, global changes are taking place around us every day. There is a wave of protectionism going on around the world, and it is going around the world. Countries are starting to look about protecting their own corners, and then when the bigger countries start to do that, it presents problems for smaller countries like us. I would posit, Mr. Vice-President, that maintaining the status quo is not a winning strategy in this environment. However, economic downturns present the opportunity to make structural changes, and I think this is part of what we are experiencing in Trinidad and Tobago now, and we must remember that even if we somehow navigate into a more positive space going forward, that we should not return to the old practices once we have recovered in the way in which we would like to recover.

Mr. Vice-President, our country continues to struggle with a crime situation that is, for me, frankly it is scary, and to the point I am uncomfortable going just during the day moving around some places. And that is just the reality. It is

probably my reality. I am probably sensitive to it, but this is something that I have a few thoughts and suggestions about how we could treat with that, and I will deal with that later in my contribution.

Our economy remains open to shock because, as we all know, we are subject to the prices on the international market for products. Another of the things I want to just mention is that we continue to have a challenge in this country with affordable housing and that the list is long and then the available stock—and I noted the last measure where we were trying to get the private sector involved. That is the way it has to work. The State cannot provide housing to meet all of the demand.

Another issue I would like to just flag, Mr. Vice-President, is that there are many people who have served this country in the difficult position of judges and parliamentarians and who continue to suffer for poor pension arrangements. And those whose responsibility it is to fix that have chosen not to treat with it. And I make no bones about that. I have advocated this for a long time—people who have served in some really difficult positions and are struggling. A former Chief Justice made a very clear statement about the state of pensions and I wish to continue to echo my dissatisfaction with that. The last time an attempt was made, my position on it is clear. People who have served should be given the right to live decently. They have served this country and I do not understand the difficulty. It will literally be a blip on the national accounts. I really do not understand the difficulty with it.

Some things that we have to note, Mr. Vice-President, around the region, as I just wrap up my introduction. I spoke to public/private partnerships a couple minutes ago. I note our Caribbean neighbour, Jamaica, is leading the way. They

have just gone through a process to have a private operator take over the Norman Manley Airport for them, on a 25-year lease arrangement. The Government gets a flat fixed fee and the company takes all the risks in terms of running the operations, making sure it is upgraded and removing the State from active involvement in that operation. And they also did it to the port of Kingston container terminal and the new north-south highway that they are building. So you have an example in the region of a country that has recognized. You have the Government's resources starting to become more and more finite, but you need to have either sustained or increased levels of services to the people. Their public/private partnerships are the way to go and it can be done, and there are lessons even within the region here.

Mr. Vice-President, I do not mean to be difficult or touchy, but I noted that in June of this year another neighbouring Caribbean island, Barbados, the Prime Minister indicated that there would be no cuts to the public sector, and four months later—almost exactly four months later to the day—the Prime Minister of Barbados announced that they would be laying off 1,500 workers from the civil service. Now, that is heresy here in Trinidad and Tobago. Touch the civil service, it is heresy. It would be virtually war. But I do not see why. Depending on the economic circumstances of a country there are decisions that have to be made for the greater good.

So that in the space of four months, the Barbados Prime Minister indicated that she would try not to do it, but when faced with the stark reality of the economic situation, had to do it. And these are decisions that, while they may not be popular, no one wants to see anyone out of a job. I have found myself in that position as an adult, with a mortgage and car loan and kids to go to school, and

believe you me, it is not fun. You have to figure it out. That is where we are adults.

Mr. Vice-President, I want to talk—to go now to some of the issues directly inside of the budget. The first issue I want to talk about is transfer pricing. Mr. Vice-President, it is one of my pet peeves, about this whole issue of the value that has been accumulated by the Atlantic partners and the way in which they have deliberately used the system that is available, and our own lax application of the rules that we can apply to essentially take value that should have been redounded to the citizens of this country, and take it to their own place. And while it is easy to blame them, we have to blame ourselves because we have not done all that we could do.

And Poten and Partners quoted a huge number in their report in the Gas Master Plan—I think it is like \$6 billion—during the times of high prices. But right now LNG prices in Japan are like \$9 to \$10. So we are starting to get back into a cycle where prices are high. And I have noted earlier that the hon. Minister of National Security indicated that he—both himself and the substantive Minister of Energy and Energy Affairs are going to the negotiations. This is an opportunity to claw back some of that.

And, Mr. Vice-President, perhaps a little history is important to make the point. The Government is dealing now with the negotiations for the Atlantic Train 1 Project. The Atlantic Train 1 Project costs US \$975 million. It was complete in April of 1999. It got a 10-year tax holiday. One year after that tax holiday ended, one of the partners—the initial partners on the project—sold their 10 per cent share in Atlantic Train 1 for US \$850 million. So they would have put out the equivalent of less than US \$100 million and then sold that 10 per cent share for US \$850

million, which means that just on that basis, they are valuing that one plant at \$8 billion. We have US \$8 billion—real money. We have to understand the value, the size, the sheer size of the value that these companies generate, and that what we are getting, or what we think we are getting, is really not enough. And I would have loved to be in that room to be able to say the things that I have in my mind about how to fix that. But, you know, this is an august House and we try to make sure we keep our tone proper inside of here, so I will not say what I would like to say.

But, Mr. Vice-President, I think this is an opportunity, so I look forward—I heard the update this morning from the hon. Minister of National Security and I look forward to getting a further update, because that is so, so important. This is a project that uses 400 million Scf of gas per day. It is a huge project and the partners have done very well on Train 1. They are doing fabulous business on Trains 2, 3 and 4. What I would like is for every citizen of Trinidad and Tobago to be doing just as fabulously, and the only way we could do that is to try to claw back, and there are strategies. You could go in the room and say, “Listen, I hear what you are saying, but you have done well. Now it is our turn.” And I would be very, very difficult to deal with in that room.

I now move to—the next topic, Mr. Vice-President, is the subsidy. So that we talk a lot about the fuel subsidy in Trinidad and Tobago. I have said my position on that is clear, Mr. Vice-President, is that subsidies are a distortion in the system. One of my particular issues with the subsidies are the subsidies that we have—and it is not only gas. We have subsidies on electricity; we have subsidies on water. We need to close the loop on these subsidies. Subsidies create distortions when you have companies reporting profits. But when you

disaggregate the portion of their operating costs that comprises water and electricity and gas and the other things, you will realize that that “profit” is not really a real number. It is not a real number. It causes a distortion in the system. There are lots of companies who are “profitable”. Some of them are using natural gas in their processes; getting virtually free natural gas. The price is a peppercorn price, what NGC calls light manufacturing in Trinidad and Tobago.

We have to understand that these subsidies have to come to an end. Just like anybody else in this country, I hate paying more, but in the case of fuel prices, I think we have to look at the greater good. Now, I understand. Mr. Vice-President, I struggled with this. Just yesterday I was at a place of business doing a transaction and a random member of the public recognized me and asked me: “Why are we paying more for gas?” And I asked a different question: “Is it your expectation that for your whole life, going forward, forever, you expect to pay subsidized prices for fuel?” And the person responded: “Okay, well, perhaps not.” And that is how I attack it, because we have to roll back our expectations. For so long we have been having subsidized prices, we have gotten used to it. But does it mean that we expect to have this going forward forever? I do not think a rational person would say: “Well, yes, I want to have subsidized prices of fuel forever.” I do not believe that a rational person would say that.

These subsidies are really, really killing us, and I am supporting the roll-back. But one of these subsidies that—I suppose part of it is out of the Government’s hands—is what I call the electricity subsidy, which is probably one of the biggest subsidies in this country. When you have a household rate—and I went to the—I think my colleague Sen. Mark alluded to the report. But the TTEITI Report; and they have a schedule of—people need to understand the

electricity rate in Trinidad and Tobago is the cheapest in the western hemisphere, and I am not saying just because it is the cheapest rate you just raise it arbitrarily. What I am saying is that because of the way it is structured in Trinidad, US 5 cents a kilowatt now; if you go to Barbados, you are paying 36 cents, I mean, it is seven times. If you live in Barbados you have to pay seven times if you are paying for electricity. And then you have to pay real prices at the pump for fuel, and then you have to pay proper prices for water.

I mean, we probably do not understand how good we have had it for such a long time in Trinidad and Tobago. We have had it for a long time, and I am saying, one of the ways that we could treat with the subsidy for the electricity is to say you hold the residential customers, who are average users, hold their rate, but those—I have seen the T&TEC database. This is probably my issue, Mr. Vice-President. They have a database that you can clearly see who are the high-end users. And you “doh” even have to raise the rate. You can just apply a surcharge. You want to have your swimming pool and your central air conditioning going all day in your home, that is fine, but you should not be paying the same rate as the man living in a one-bedroom place in Belmont. That is not right. That is not right, and that has to be tackled.

I have run the numbers, and I think that if you do that, here is what could happen. If you apply a surcharge to the point that it is a penalty, two things could happen. Either the persons have decided to pay the surcharge; T&TEC gets more revenue, and for those who decide they are going to curtail their electricity use, then less natural gas will be needed to go into the electricity for power generation and that natural gas can be used for other more value-added things. For me it is a win-win and it is an easy strategy, because you are not impacting the average

regular customer. You are targeting those who can clearly afford to pay more. And I really do not see any challenge with that.

This is probably the third or fourth budget I have advocated that and nobody is really taking me on, but I will continue to advocate for it, so that at some point in time I hope somebody will recognize that there is potential value in that. Because the hon. Minister of Public Utilities is here. You can go to T&TEC and say: “Can I see the customer record list by consumption?” And you would see how many households—you will see it and you can apply a surcharge. It does not need the RIC. You can apply a surcharge to them. Whatever rate the RIC chooses to do, that is their job. And you apply a \$2,000 a month, a—whatever the surcharge is—and make it painful for them who can afford it.

Mr. Vice-President, I have my short title here in my notes: Glass half full versus glass half empty. So that many commentators in and out of this building have commented on the scale of increase of motor fuel prices over the past few years, and I have heard many of the comments, and most of those comments are what I call, “the glass half empty”. My own view is that, through this strategy, the fuel subsidy is close to being permanently removed from Government provisioning, thus freeing up these funds for the Government to tackle its social responsibilities.

And the other point I want to make, in my view of what the glass half-full is, that market-based fuel prices will allow citizens to make better economic decisions with their funds. When you have to pay the real price for something, what tends to happen is that people adjust their consumption patterns. Ask anybody like me. I had a good experience, Mr. Vice-President, going to the UK to study a little while ago, and during my first winter I had the temperature in my apartment at a balmy

24 degrees, and then when I got the first bill from the gas company, I nearly could not eat for the next month. I had to decide, well, I am going to have to throttle back my gas usage and keep wearing a sweater and a socks and a track pants all day in the apartment, because it was a difference between eating and paying the electricity company. And that is just a real choice that people make every day. But because it has been so cheap here in Trinidad and Tobago, people have no feel for that pressure. They just use it because it is cheap. And the instant you raise the price, is it the Government is bad?

Mr. Vice-President, inside the budget statement also there was a section that dealt with Vision 2030 and there were nine areas of policy reforms. One of those areas of policy reforms is:

“Ensuring effective and efficient public service delivery, implementation of development interventions and measurement of results;”

You see those last three words, “measurement of results”? That is where the state enterprise sector is failing abysmally—abysmally.

Mr. Vice-President, I begin this section of my contribution today by saying that throughout my preparation for this, I shed a tear for the taxpayers of Trinidad and Tobago, and the more and more I looked at what I saw in front of me, I wept for the taxpayers of this country. There is what I consider to be an endemic systems failure. There is chronic and brazen corruption. And a big part of the cause is because there is inadequate and probably incapable supervisory systems. The Ministry of Finance Investment Division is a laudable thought, but they are not capable of managing the state enterprises. One of the things I always say is that if we have to fix a problem we have to first acknowledge that we have a problem. Let us not fool ourselves and say, “Well, you know, we are trying to fix

it. It will be all right.” No. We have a major problem and we need to retool. And the professionals there, many of whom I know very well, are very good professionals. I know them well. I have worked with them. Some of them are trying their best, it is just there is not enough of them and there are not enough resources.

Mr. Vice-President, there is a massive and unprecedented loss of state funds due to what I consider to be diversion and misappropriation of funds for all sorts of things, not to mention my colleague would have mentioned—Sen. Shrikissoon—about the fact that state enterprises debts are just about \$44 billion. And when I conducted that enquiry for the Ministry of Finance, they indicated that that is the highest it has ever been. So that, you know, you have entities set up to deliver all types of services. Some of them intended to make a profit; some not, probably most not, but the level of debt is the highest it has ever been. When are we going to stop the bleeding?

Mr. Vice-President, the system is really bad there. There is wanton wastage. There is pilferage; there are bad hiring practices; low to zero accountability; free loans to staff; free medical plans to staff. And then what is the most astounding thing to me, Mr. Vice-President, you bring the executives before the Parliament and they try their best to defend the bad behaviour. It is absolutely amazing. You tell a guy you cannot sit on an interview panel to interview people who you know, and he says, “No, that is fine.” And then the board says it is fine too. So if the public and the Government are willing to accept that, fine. I do not. I completely disagree, with the greatest of respect. It is the flippant way in which they respond, because it points to a clear lack of understanding of the word, “accountability”.

How could a CEO of an entity that has 125 staff, buy 350 electronic devices

to give away to the staff? The staff complement is 125, but you buy 350 electronic devices as a Christmas gift, with taxpayers' money, from an entity that is generating no revenue. These are the kinds of things that people should be in another place for. So the entire system is rife with—and one of the ways to fix that is that the current public *State Enterprises Performance Monitoring Manual*, people know about it and they routinely ignore it. It has to be something that you have to—it probably needs some updating in several areas, but let us start by telling them—making it a policy position: “You have to adhere, otherwise there will be penalties.” And spell out the penalties; you have to, otherwise we will have this situation repeating itself going forward.

So, let me start to get to these difficult issues. I have to ask myself, Mr. Vice-President, about the—my topic here is about the industrial relations climate in the country. Is it that job losses are a crime? And I am going down this road because nobody wants to touch it. I ask the question because I am of the view that hiring and releasing staff is part of the normal course of business. It is part of the normal course of business. Businesses expand. But here is what happens in Trinidad and Tobago. If a business starts up today and hires five people, you never hear anything about it. If they release five people, oh, they are sending people home; workers on the breadline.

So I try to figure out, okay, is something wrong with me? Because I am saying—and I am not here advocating right or wrong. I am saying this is part of the normal cycle of business, and that if an entity, for whatever reasons, in terms of how they run their business they decide they need to reduce their staff count, is it that they are automatically some bad person or some bad company? That is how it plays out. And I am not making anything to support any particular business, I am

just talking about how things are captured in the news and how they are reported, and I am saying, I am not in agreement with that because I do not understand why it has to be like that. I do not see why. It is probably part of how the history has played out to now, but we have the opportunity to look forward and change that. And that is all I am saying.

It is going to get tougher for me, going forward. So, Mr. Vice-President, this whole concept of what we call in Trinidad and Tobago, “permanent jobs”, given by the fact that you can guess by now that I do not have much hair. When I was a much younger guy and I had an Afro—

Hon. Member: You did?

Sen. D. Small: Yes, I did. [*Laughter*] I actually had an Afro. I had my nice pick and I used my Afro sheen and my piece of cardboard—nice brown piece of cardboard and patting it down. Now it is what it is.

But I remember one of the things as a young person, you wanted the government job because it was permanent and you could plan your life around it. You had security. And I was one of those, and I understood that, because when you grow up as a regular normal person that I was—I grew up, you know, normal, regular; I had nothing special about me—you wanted a government job because it gave you security.

But, Mr. Vice-President, I think the issue now is that the world has changed, and I believe that that paradigm is not sustainable. And why? I say that because the requirements for jobs are not static, and that the thought of someone doing a job description and that this job description will hold for the next 20 years, I do not think there is any company that will have a job description for a position and we are going to say: “Hey, we are going to have this description and it is not going to

change.” The skill sets required and the way the business environment is evolving is causing companies to always have to be retooling and often when they are retooling processes, they have to change people around. So the skill sets required are changing.

So, Mr. Vice-President, if I was a person employed in the private sector and my company that I was working for had posted billions of dollars of losses over the past five years, I would be very concerned about the ability of that company to survive. But that is normal, because in the real world the company losing money means that at some point in time they cannot pay you; they cannot pay their creditors; they cannot stay in business; they are likely to go out of business. And if they go out of business, there goes the unemployment track. That is how it works in the private sector, or in the real world. However, that same worker with an entity in the public sector where being permanently employed is the Holy Grail, and to whom the State has always been there to bail them out, the reality of that company shutting down is understandably a universe-shattering event because that seems to be something that is completely out of the realm of possibility for that person. There is nothing wrong with people seeing this as something that is shattering their universe because the concept of a state company, a government company, going out of business is not something that people can relate to. And so for the people affected, I understand that.

I worked in a civil service entity. I worked for 22 years and then I found myself at home, trying to figure out what the next plan was, with mortgage, all the normal commitments everybody had—trying to figure out what the plan was. And, believe you me, I do not envy anybody else who has to do that now because it was tough for me. It was tough for me. So I get it, because I have lived it. And

being in a place where you are with that, it presents unique challenges, but I do not think the challenges are insurmountable.

Mr. Vice-President, in the budget we spoke to the fact that—forgive me, the hon. Minister of Finance spoke to the fact that the upstream sector has turned around and in terms of the way in which the sector is performing, it is stabilizing, and going forward we will have more stable gas availability to sustain the market. Well, here is the issue, Mr. Vice-President. This section of my talk is called upstream tax incentives. There are two sides to what is going on here. One side would wave the flags and say: “Look, our decisions have led to increased upstream activity resulting in increased gas production and stabilization of the market.” And they would say that over and over and over. Another side would, over and over, say: “But look at how much these energy incentives have cost and look at how government revenues have plummeted because of these self-same incentives.” And this is where I weep for the taxpayers of Trinidad and Tobago because, sadly, Mr. Vice-President, both sides of that argument are 100 per cent correct. Either side saying the piece that they want to say, they are completely correct up to a point.

2.45 p.m.

Mr. Vice-President, hindsight is 20/20 but the golden question here is, could the enhanced levels of investment in the upstream have been made without such huge tax giveaways? That is the golden question that has to be asked. I am not in the zone of asking questions and leaving them without giving my view. That is what I do.

Mr. Vice-President, it is my considered view to lean towards the affirmative and here is my rationale. The companies that benefited most from those incentives

have longstanding operations in Trinidad and Tobago and, further, they have contractual obligations to deliver product. They are not new companies coming in and benefiting. They are here and they have obligations to deliver product. So the ability for them to just walk away without delivering the product has contractual and legal consequences.

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

Sen. D. Small: Certainly. Two, for one of the largest companies, Trinidad and Tobago represents their single largest source of production; 17 per cent of their global production is here. So if I am in the room and I am your largest source of production, I should have strong leverage against you. I should not be trying to make you be falling over myself to please you. That is me. So something went wrong in that room; that is my view. And in the civil service, Ministry of Energy where I worked, that is not something that I think that the good professionals at the Ministry of Energy would have encouraged, or at least would have put—as I have done in the past—put my own views in writing to the adverse. I will leave that.

Mr. Vice-President, I just want to before I—I have so many issues, but I want to do one—I only have a few minutes, let me rush to one thing and that is the Petrotrin restructuring, and I do not have time to talk about all the things I want to talk about, but I just want to share a calculation. So I looked at all of the various parts of the restructuring and one of the things I have noted is that they are going to form a company that is going to export the crude, and a company that is going to be doing terminal operations. So I am a person and when I hear people put things forward, I try to understand the rational basis. If you are going to export crude, there is no issue with selling crude regardless of the quality. It could be the worse quality, you put out the tender you get a price. There is no issue to deal with.

Anybody saying anything like that has no experience in the market and it is just fluff.

Mr. Vice-President, if you take 40,000 barrels per day of production and you multiply it by an average price—and I just used an estimated number. I just averaged \$55 US. Right now today WTI is \$69. Normally, Petrotrin's mix of crude trades gets a discount of \$5 to \$7 to WTI, but I have used a lower number. Forty thousand barrels of product per day by US \$55, by 365 days, is \$5.46 billion a year; \$5.46 billion a year gross revenues. When you start to take out of that the company's liability for taxes and royalties on that, it is about a billion dollars. You take out salaries and wages, you are still left with nearly \$4 billion to run your business, pay all your taxes. It starts to look like a very profitable business. That is my immediate—I said let me check to see if this thing makes any sense. I have a whole long whole page of calculations with all the assumptions, but on the base of it you start with a business that could potentially be turning over a minimum of five-and-half billion dollars in gross revenues and now will be easily able to retire its debt in terms of overdue taxes and royalties to the State at \$3 billion probably within the first year.

So I looked at it and I am saying, "This is a winner". At least the theoretical underpinning for something like this to be able to work, it could work if it is run efficiently, but I am not in charge of that part. So I just wanted to share that because that is what I do. I hear things but I do not respond in a knee-jerk way. I run the numbers, and on the numbers I have seen here the whole—and as for the terminal operations that is a simple operation. All of the hardware is there, all the equipment is here. You charge a facility user fee to run product through it and you deem that. You attract that fee on a per barrel basis. You sit there and you collect

money. That is a cash cow in the energy business. Terminal operations make money everywhere in the world. Anybody who understands the business understands that. So I am saying okay.

The other things that I want to do I have not done it, but those two bids that I am aware of, those things seem very sound and they work because they are excised from the refinery. And the key thing in particular with E&P operations, the reason why it suffered is because it was in the fighting pool in Petrotrin to get money. Now it has its own money. It is able to spend money on things that it needs to do, rather than be in the pool at Petrotrin and somebody deciding we ask for one billion, you could only get \$ 500 million.

So, Mr. Vice-President, I know my time is up and I just want to thank you for the opportunity to contribute to this debate, and I want to thank the Members for bearing with me during my time. Thank you. [*Desk thumping*]

The Minister of Public Utilities (Sen. The Hon. Robert Le Hunte): Mr. Vice-President, it is indeed a privilege to stand before this House to account for the public utilities sector and to lend my support for the Budget Statement 2019 as presented by the Minister of the Finance, the hon. Colm Imbert. Let me also add at this time I want to lend, not only my support, my appreciation for the words as expressed by Independent Senator Mr. Taurel Shrikissoon in his, what I considered to be, sober, independent and realistic comments about the performance of the economy and some of the suggestions that he put forward as with regard to, or concerns that he raised.

I would just take some time just before speaking a little bit more at length about my colleague Sen. Mark. Sen. Shrikissoon brought into the picture his concern about the whole idea of debt—and as I said, I think looking at debt is

critical and it is something that we need to always keep our eye on—and, I mean, he made mention talking about the Central Bank overdraft balances that would continue to go up and, again, that is of critical importance. But I want to put that a little bit into perspective and, first to begin, let us understand what has happened with that Central Bank balance. In 2010, that Central Bank balance was actually about 15 to 16 billion in credit. It moved over the period 2010 to 2015, when we assumed office, to around negative 25. So therefore, if you understand 16 plus negative 25 that is about a movement of about \$41 billion—16, 25, yes, I think it is always 41. So that is the kind of the money that was moved during the time when the UNC Government was in power.

In addition to that, you have also often heard us speaking about the money that was also spent during that time when we had about 16—and we hear conversations whether it was 16, whether it was 12, whether it was 14—billion dollars in NGC. So understand the level of money that was spent during that time, and admittedly, yes, the overdraft has now moved from around 25/26 to now around 36; and, yes, it has moved in that direction and that was the figure that was mentioned by Sen. Shrikissoon; and yes, that is a figure that we need to keep our eye on. But, you know, I think we all recognize, and he recognizes, the different circumstance under which we are operating in as a country, and as much as we would like to bring that figure down, again when you are running in a situation it is a far different economy when you are talking about oil prices that were \$100 compared to where you have the oil prices now. So I just want to put that on record.

The other point that he made that again is worthy of some bit of consideration is the whole idea of debt, and he made the conversation that we

should not look at net debt and we need to look at the overall debt. Again, coming out after spending 30 years in the banking sector I have a little understanding of debt a little bit, and what is critical about debt is two things, the size of the debt is yes important, but what is more critical is the trending of that debt, one, and your ability to repay. I mean, we often hear that Japan, for example, is operating at about 140/150 per cent of their GDP, and Barbados with 120 per cent of their GDP they have problems, but Japan is okay. So it is about your ability to repay that debt, but just to clarify though let us put that a little bit into perspective. I mean, Sen. Shrikissoon talked about the debt starting at around—I think he used the figure of overall debt of about 96 billion, and then he went on to add, add, add and I think we came up to about 180-something figure. It is the figure that I wrote, or give or take.

I want to put clearly on the record that when we talk about debt, the total debt, not the net debt, the total debt as put forward by the Central Bank, that figure is actually 120—so there is a little bit of doubt counting. I will talk to him afterwards, but it is really about 120 billion—and, therefore, I want to also put that 120 billion into context, and if you think about that debt, yes, that is a high debt and we need to look at that, but also take into consideration that we have our reserves. Our reserves are about US \$8 billion and our Heritage Fund is US \$6 billion; put together you have about approximately TT \$98 billion. You have sinking funds that are put in place to repay that debt. So when you add up just cash versus the debt, you have about 103, 105 billion versus a debt in the vicinity of 120 billion. So that represents close to, and if my maths give me some rights it is about 87 to 90 per cent. All right?

So again, yes, the figure is not 180-something for total debt. It is about 120

billion, and again we need to put the figures into context versus our ability to repay. Finally, wherever you go, whatever it is, however you want to twist and turn it, 61 per cent debt-to-GDP ratio is a nice place to be at. It is a nice place to be at. Not saying, of course, we might want to look back and remember some other figures, but in light of everything we are in a good place coming out at that particular level of debt. So I wanted to put those figures and make some corrections there. Now, I also took some time, and I will spend some time today—I remember the last time I was here in this budget I spent so much time dealing with certain issues that I got sidetracked and was not able to talk about my Ministry's performance. So I have allocated a little bit less time to deal, but I cannot stand here and not talk a little bit about what it is Sen. Mark put on the table.

You know, he made some old revelations and he add some new things. What I found, and I want to thank him for the new ones that he mentioned, he was very clear for the first time—definitively and very clear—when he made the statement that the Opposition, the UNC, does not support the closure of the Petrotrin refinery. I hear that, and it is about the first time I am hearing it crystal clear from the Leader of Government Business—or, the Leader in this Senate.

Sen. Mark: We are getting there. We are getting there.

Sen. The Hon. R. Le Hunte: So that was the statement that I heard and I put that there. I take that and I am sure the *Hansard*—I made sure and wrote it down very clearly.

The second statement that—after all that he said that I considered that was new to this House and I totally endorse—is the one that he said “a leper doesn't change its spots”. I found that to be very profound—

Hon. Senators: Leopard.

Sen. The Hon. R. Le Hunte: A leopard. A leopard, sorry. I apologize. “A leopard doesn’t change its spots”, and I will talk a little bit about that, but I found that to be a very profound statement and I really hope that we could all stay tuned to that particular statement.

Some of the old commentary though that we have heard repeatedly that I want to spend some time to deal with is the idea that there really is no growth. No growth! Forget about the numbers, let us just run into the rhetoric of no growth. Forget about all the analysis done by the Independent Senator who went through the same numbers and saw the growth, but they cannot see growth at all. The next point that they continue to make, of course, is that the growth—which they could not see but if by some way you could happen to see it—the growth is as a result of actions done by them or things that were put in place as a result of their actions. So let us spend a little bit of time dealing with that and that argument and debunking that argument once and for all.

In the argument of no growth, the way how they go about that argument is that they say, “Okay hear what, GDP was X in 2015, GDP is now Y. X is more than Y and, therefore, there is no growth”, and I say, “Wow”. How unpatriotic a statement to make. I want to explain that statement in a little analogy. You know, if you consider Usain Bolt, fastest man in the world—in 2015, you know, he was the fastest man in the world—world record holder, 100 metres, and then unfortunately—and I am only using an example—he gets in an accident, and in 2015 he is in a coma; 2016 he comes out of the coma and he realized he is paralyzed; 2017 as a result of the world rallying around him, and so forth, he moves from being paralyzed and he could now walk with a stick; and in 2018

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when you see “Usine” Bolt, “Usine” Bolt is actually taking a little jog. Cannot run the 9 point, whatever it was before—

Sen. Ameen: Usain Bolt.

Sen. The Hon. R. Le Hunte: Usain—but he is now getting into and he is now able to jog around. You see him jogging.

Mr. Vice-President, I mean, could you really tell me that somebody looking at “Usine” Bolt in light of where he came from—

Sen. Ameen: Usain Bolt. [*Crosstalk*]

Sen. The Hon. R. Le Hunte: Excuse me, I did not—Usain Bolt—christen him. Mr. Bolt. Mr. Bolt. You tell me, Mr. Vice-President, that anyone under the circumstances looking at Mr. Bolt, what he went through from 2015 to now, and immediately saying, “Well listen man, you really and truly nothing is wrong with you, you know. I remember you in 2015 winning the world record. If you could only jog now, look where you reached to”.

So therein lies the problem with that logic and that argument. Clearly, it totally ignores where we came from or what happened to this economy between 2015 and now. [*Interruption*] But that is max and that is economics their turn, and that is what it is that we try to paint onto the economy, but thank God we think the population has a little bit more sense than they think. [*Desk thumping*] We have to remember, Mr. Vice-President, this economy, where we took this economy from, the road and the path that this economy was heading, this economy was heading straight over a cliff and was heading straight into the jaws of the IMF [*Desk thumping*] and—[*Crosstalk*]

Sen. Baptiste-Primus: Mr. Vice-President, 51(f), please.

Sen. The Hon. R. Le Hunte: And Mr. Vice-President, any country that you could

go and look at the track record of countries that are going down that road, and look at the similarities that where we were going.

When the previous Government was in power they ran repeated deficits to the tune of \$10 billion annually. They experienced times even at times when income levels were as high as 50 billion, expenditure was in the vicinity of over 60 to 63 billion. Mr. Vice-President, we were clearly living beyond our means. Anyone of us, anyone living like that, knows what are the consequences of that happening. You will eventually survive only with borrowings up to a point in time, but there is going to come a point when you cannot continue along that path and that is the path that Trinidad and Tobago was on. That is the path that we were going down and that that is the path that the present Opposition will like us now to turn and continue along, and that path would have taken us clearly in one clear direction straight into the loving arms of the IMF and all that goes with it. And I say “loving arms”, of course, because that is clearly where they would have liked to take us.

Sen. Mark: But that is where you are right there. You are there. We in the loving arms of them. All the policies of the IMF—

Mr. Vice-President: Sen. Mark.

Sen. Mark: Sorry, Sir.

Mr. Vice-President: Minister. Yes, the level of crosstalk is getting a little loud to the point where it is drowning out the Member contributing. So could we just temper the crosstalk as we continue? Minister, continue. [*Desk thumping*]

Sen. The Hon. R. Le Hunte: Mr. Vice-President, you know I have used repeatedly in this House my African proverb that basically says “to forget is to throw away”, and really and truly we understand that what they would like us to

do, and what the Members on the opposite side will like to happen in this country, is for us to really forget what it is and what is the state that they left this country in [*Desk thumping*] but we will not allow that to happen. We will not allow that to happen. We will not allow the country to understand—and the country is fully aware of what happened in 2014 about 2015. The country is fully aware of what it is that this Government did in squandering the resources, and I will show later in some of where that squandering went to when we had money and what that money was used, and what that money was wasted on which resulted in us in this particular position that we are in today.

Mr. Vice-President, another argument which they seem to use conveniently at all points in time is the fact that what is happening—the same growth, if by some chance you think that there is growth, the growth is only as a result of something that they had put in place. You know, when I heard that, again I said, “Wow, what an unpatriotic statement”, and I say that because there is something called the cycle of life, eh, and I mean people move on in different cycles. You know, this particular Government—the Opposition at a time they benefited and they benefited a lot from the work done by the previous Government in putting down four LNG tranches, and boy did they get money, and when they got the money, man did they waste it and spend it. That is what they got. This Government, with our diversification plans, when we put down—and as we have clearly stated, we are awaking the sleeping giant of tourism, we are building the necessary infrastructure in Tobago, we are building a Sandals hotel, building an airport, putting down a deep-water harbour, [*Desk thumping*] all of which is going to diversify the economy. Will it all happen by 2020? No, but we are putting things in place for the next five years that we will be in Government. [*Desk thumping*]

Again, we are doing things and that is not the only thing that we are doing to diversify the economy. We are also putting down the ship-building plants in La Brea. Will it all finish? [*Desk thumping*] No, but again it would be there. It will be there for us to—[*Crosstalk*]

Sen. Baptiste-Primus: 51(6), please. When the other side was speaking we sat and we listened. I can barely hear my colleague.

Mr. Vice-President: Hon. Members, I am in agreement with the point of order raised.

Sen. Ameen: There is no 51(6), Mr. Vice-President.

Mr. Vice-President: Hon. Minister, I want to assume it is the Standing Order in relation to silence.

Sen. Baptiste-Primus: 51(f).

Mr. Vice-President: Okay. Good. [*Crosstalk*]

Sen. S. Hosein: There is no 51(f) either, Mr. Vice-President.

Mr. Vice-President: Members! [*Crosstalk*] Members, I am going to rule now. In relation to silence and the crosstalk, I had asked previously that we temper the crosstalk because it is being elevated to a position where you cannot hear the hon. Minister in his contribution. Please be mindful of the levels of crosstalk in the Chamber and have it tempered. Minister, continue.

Sen. The Hon. R. Le Hunte: Thank you, Mr. Vice-President. Again, as I was saying, there are a lot of conversations about the projects and projects that they started that we are benefiting from. But one of the things that to me that is also critical that we have not put any shine on or the light upon which I hear nothing about, and which the country must also understand, is about what about the projects and the loss of income that have resulted because of projects that they

have stopped. I hear nothing about those projects.

I took the time in preparation for this budget debate to go back and look at the aluminium smelter, a project that was stopped by that particular Government. I took the time to look at the capacity of that aluminium smelter plant and I looked at what it was the present international prices of aluminium. What would have happened? Let me say that from 2011 to now, because of stopping that particular project, the previous Government has robbed this country of \$2.5 billion a year from 2011 to now—\$2.5 billion.

Mr. Vice-President, that means in 2011, 2.5, '12, '13, coming up, if we had that now, the amount of income that was foregone is close to \$17 billion. Could you imagine the Trinidad and Tobago economy in its present form with \$17 billion additional income? And that does not take into consideration the \$1.5 billion that we are paying via T&TEC for electricity which we could not use, and that does not take into consideration the 2,800 jobs that would have happened in that particular area that has just gone up in smoke and, of course, the pending lawsuit as a result of that is laying behind us somewhere. But that is the kind of money—which again I hear them talk about the projects that we benefiting, but what they have robbed Trinidad and Tobago of because of their spite, because of just plain politics, they have robbed this country of close to \$17 billion—

Sen. S. Hosein: Mr. Vice-President, Standing Order 46(6), imputation of improper motive against Members of this side. We did not rob anybody.

Mr. Vice-President: Minister, continue.

Sen. The Hon. R. Le Hunte:—and deprived this country of \$17 billion. Now, let us understand and I could understand that gets them a little bit hot under their collars because \$17 billion—[*Crosstalk*]

Mr. Vice-President: Again, I am on my feet and have to reiterate in relation to the crosstalk, it is not necessary to be shouting across the floor, especially at the Member contributing.

Everybody will have an opportunity to speak and they can respond in kind at that point in time as a debate requires. So there will be no more elevation of voices while a Member is contributing. Minister, continue.

3.15 p.m.

Sen. The Hon. R. Le Hunte: Mr. Vice-President, as I said, \$17 billion. What does \$17 billion mean? What it is that we could have done with 17 billion? You know, we heard about the hospital in Arima. We heard about the hospital in Point Fortin. Those hospitals cost approximately 1.4, 1.5, give or take a few numbers. That is the cost. That is the kinds of hospitals that—we were going to be able to build a lot more if we had our \$17 billion.

You look at houses, Mr. Vice-President. When you consider average cost of building a house via the HDC, four, \$500,000. You know what you could have built with that \$17 billion? Over 40,000 homes for people in Trinidad and Tobago to have. That is the kind of money; that is the kind of income that this country was able to—that they allowed for this country not to have. And when we hear them talk, of course—their replacement is, of course, that they built a velodrome in Couva to encourage sport tourism and that that is what it is that we are now benefitting from, a small amount in comparison to \$17 billion that they allowed for this country not to have.

Mr. Vice-President, after all is said and done, it is very clear that this country and the budgets that have been put forward have placed us on a path of continued growth. We are in a much better place than we were in 2015, and therefore, as a

result of that, because of the type of Government that we are, because of the type of caring Government that we are, immediately you would have seen that when we start to see the green shoots of the economy getting better, we have also put in place, in the budget, a lot of improvements in keeping with what we could afford. In keeping with what we could afford to help the less fortunate in the economy.

A lot has been said about the fact that the gas price, as in super, has actually gone up by \$1 and the big impact that will have. Again, I want to put on record the fact that that must be done, that must be looked at against the backdrop of an inflation level that is just about 1 per cent, the lowest inflation in the world; two, the fact that diesel prices remain the same; and three, out of 220 countries around the world with the gas price increase, Trinidad and Tobago has now moved to the fact that we are now 33rd in the country with the cheapest gas. That is where it is; that is the reality. As for the Senator who mentioned about electricity being the cheapest in the Western hemisphere, I agree 100 per cent, but I will also add, electricity is the second cheapest in the entire world in Trinidad and Tobago.

So, Mr. Vice-President, that is the reality. We are on a good path. We have to continue the road, the path, that this budget continues to place us on and I am confident as the levels of sacrifice and as the economy gets better we will then be in a position to help a lot of the less fortunate in the society and we will be able to give a lot more because that is what caring is all about. Caring is about sometimes having to implement certain disciplinary actions on a country, certain constraints on a country, because, at the end of the day, it will benefit of the whole country going forward.

Mr. Vice-President, I will now take my time to spend a little bit of time to talk about how we expect to spend our \$3.183 billion that has been allocated to us

in this year's budget. I will start, of course, with WASA. We all know the situation around WASA. WASA is in charge of our water authority. The demand for water clearly outstrips supply so you have a gap and the expenses of WASA clearly outstrips the revenue that WASA receives. WASA has a workforce of over 5,100 employees. Of course, accounts receivable, money, or some people that owe WASA is just about—we owe people. They have bills to collect of close to about 600 to 700 million but there are payables, bills that were in WASA when we came there of over \$1 billion. WASA is in a place that we have to work at trying our best to increase the productivity of WASA. What we have been doing and focusing on over the past year: productivity and also the service levels.

I am pleased to report that one of the things that I said that I will be focusing last year was the whole idea of the leak detections and the response to leaks in the country. I am pleased to report, as I said, that over 18,100 leaks were fixed last year with regard to WASA which, if you divide it by the number of working days in the year, you would recognize that they are doing an excess of over 70 leaks a day. [*Desk thumping*] We are also seeing that the number of overall leaks in the country have moved from 2,600 net to down to 1,007 and I am still working hard to try get it below 1,000 before the end of the year. That is the reality.

But the truth of the matter, Mr. Vice-President, is when we had money, when we had money, we did not use the money effectively in managing that utility and therefore, you have—right now, in the budget, WASA has advised me that there are over 75 kilometres of pipe that needs to be changed. The truth is, based on the financial resources that we are in now, I have gotten enough money to change 4 kilometres, 4 out of 75, because all I have gotten in the budget that was allocated, because this is what we could afford at this point of this time, is just

about 10 to \$15 million. But when you take that in the context—and that is where we are. But this was a utility and there was a Government that in 2014, in 2014, on an ill-fated project which resulted—that was an award of a contract that was given to a company called Super Industrial Services Limited, SIS, at a cost of \$1.6 billion. We have spent—here it is I am sitting, trying to fix a situation at WASA where I cannot get money to fix the leaks and I have people complaining on a daily basis about the roads need to repairs, and I got \$7 million to deal with that, but over \$1 billion was spent on an ill-fated project which we cannot see anything about. Anything. Could you imagine what would have happened if that money was spent and put into WASA to help fix the infrastructure? *[Interruption]* Right. We would have—

Mr. Vice-President: Sen. Ameen. I am not going to get to my feet again and ask for silence in relation to crosstalk. From this point forward, I will be taking a more aggressive approach. Continue, Minister.

Sen. The Hon. R. Le Hunte: Mr. Vice-President, I am putting up my hand for some injury time as a result of all of these interruptions. So clearly, we are where we are. I am not happy as the Minister of Public Utilities in where WASA is. I would like to be able to give this country water 24/7. I would like to address all the leaks in this country. I would like to change all of the infrastructure in this country. But the truth is, the reality is, when we had money we wasted the money, over \$1 billion, and now where we are, we are not in a position to allocate that type of money to WASA. So we have to work with the staff, we have to try to increase productivity in WASA, and I am seeing some improvements. We are seeing the number of leaks, we are seeing the response time to the leaks also coming down, and therefore, we continue to work within what we have.

TSTT, as my time seems to be ticking along. Mr. Vice-President, again, the reality of TSTT is that yes, this company made \$8 million in profit last year, but if you look at those financial statements, there is something called “bargain goodwill” and that bargain goodwill represented 41 million. Now that is what we call in accounting as “paper money”. All right? But let me be clear. That bargain goodwill was really—there were lots of conversations about Massy Communications, a company that TSTT bought. All right? That bargain goodwill, after all the conversation about the overpricing, let me place on record, the accounting firm—the independent accounting firm looked at the price of what was paid for it, and as a result of that, there was \$41 million of bargain goodwill that we had to write back into profits this year. When you do a net position, the truth is that TSTT, as a company, from its core business, lost \$33 million and when we look at the projections of TSTT going forward and we cannot continue—if a company continues to lose money every single year, what will happen is that you will write off your whole equity position and then TSTT will be another company coming towards the state, looking for some type of subsidy.

So, at the end of the day, we cannot continue running TSTT in its present form. As it is—

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

Sen. The Hon. R. Le Hunte:—the board of Directors of TSTT, I am confident, are taking the necessary steps via the “Zero Copper” initiative, via their fibre initiative, which will result in a lot of the rural areas, around Trinidad and Tobago, being able, for the first time, to get Internet service and those who are getting Internet service will get a faster Internet service, because Internet is no longer a luxury, it is part of our daily lives. So the board of Directors, they are taking steps

towards re-energizing and revitalizing that particular company and I would like to state that I am confident in what they are doing and the work that they have been doing at TSTT.

Mr. Vice-President, at the Ministry, we have initiated a new programme that results in us going out, because one of the things that I speak a lot about is the whole idea of service. Service is critical to us as a Ministry and in all my areas and all the utilities that fall under my span of control and we, at the Ministry, are leading by example. This year, we have started a lot of meetings within the communities and we have been going out. We have gone to Sangre Grande, we have gone to the Five Rivers area on whereby we walk with all of the individuals that are part of the Ministry, and in addition to that, we walk with all of the utility providers, and there is a fantastic interaction between the community and the leaders who make the decisions at T&TEC, WASA, TTPost. We have done two of those meetings for the year and we have, going forward, plans in 2019 to continue that process with an additional eight to 10 meetings.

With regard to SWMCOL, again, we are moving very quickly to put in place a lot of educational programmes. SWMCOL has touched over 26,000 students via 168 schools in their outreach programme. They have initiated a public sector recycling programme, a private sector recycling programme, a kerbside recycling programme all geared towards to changing the habits and make recycling easy in Trinidad and Tobago. [*Desk thumping*] This year, we will be working diligently on putting in place, and I look forward to the support of the Members, of the other side of our beverage container Bill, so that by next year when we stand here, we will be able to have all PET bottles, in this country, all centralized in one place, removed from the streets of Trinidad and Tobago and then placing us in a position

to start a recycling industry.

Mr. Vice-President, the same thing—the same level of transformation is happening in TTPost where, again, we are competing against international forces and the business model that exists, it is no longer viable. People are no longer posting their mail and therefore, we have to remodel what the company is doing and try to ensure that it remains viable; and we are doing that. We are doing that by the introduction of new services to the country that will allow for them to deal with package mail.

Mr. Vice-President, I could go on and on and on about what we are doing to transform. Is this a perfect budget? [*Crosstalk*] I will agree nothing is perfect and that is not true. Yes, the budget is not perfect. But, is this the right budget for the right time in this country? [*Crosstalk*] Definitely it is. Definitely it is. And therefore, does this budget continues to place Trinidad and Tobago on the right path? Definitely it is. [*Desk thumping*] I look forward to the comments coming from this House and the Members. But one thing I hope is that we will continue to get feedback from Members and I hope and I pray that the House, that we will not degenerate and the level of discussions will never degenerate as it did in another place with a lot of maligning and confusion and bacchanal.

I thank you very much. [*Desk thumping*]

The Parliamentary Secretary in the Ministry of Agriculture, Land and Fisheries (Sen. Avinash Singh): [*Desk thumping*] Thank you, Mr. Vice-President, for this opportunity to contribute in a Bill entitled an Act to provide for the service of Trinidad and Tobago [*Crosstalk*] for the financial year ending on—

Mr. Vice-President: Sorry, Mr. Parliamentary Secretary. I did indicate that I will be taking a more aggressive approach. As a result, I am now invoking Standing

Order 51(e), (f) and (g). A breach of such Standing Order I will take as a deliberate disregard to the ruling of the Chair. You are so warned. Parliamentary Secretary.

Sen. A. Singh: [*Desk thumping*] Thank you, again, Mr. Vice-President, for this opportunity to join this debate on a Bill entitled an Act to provide for the service of Trinidad and Tobago for the financial year ending on the 30th day of September, 2019. Mr. Vice-President, I would take my time, my 40 minutes, this afternoon to spend some time in what, the Ministry of Agriculture, Land and Fisheries, we would have done over the last fiscal and what we intend to do with the budgetary allocation at Head 77 of \$777,862,000 in going forward.

Mr. Vice-President, before I do so, let me take this opportunity to thank and congratulate, acknowledge the contributions of the Minister in the Ministry of Finance, my colleague, Minister West. [*Desk thumping*] I would also like to place on record our acknowledgement on the contribution made by the Minister of Finance, Minister Imbert, and Minister of Planning and Development, Minister Camille Robinson-Regis in shaping this budget to get us in a position of progress and prosperity as we go on.

Mr. Vice-President, I also want to thank and recognize the contributions of all the public servants throughout the length and breadth of Trinidad and Tobago who have worked very hard, diligently, over the last fiscal to help this Government in getting to this point of stability. And in doing so, I want to also zoom down on the efforts of the public servants at the Ministry of Agriculture, Land and Fisheries who I have had the pleasure of working with. And my colleague, I want to thank also, Minister Rambharat, for the steadfast leadership he has demonstrated at the Ministry of Agriculture, Land and Fisheries.

Mr. Vice-President, let me respond to my good friend, Sen. Shrikissoon, in his contribution, as he indicated—but let me also thank him for recognizing the potential of the agricultural sector in this whole thrust of diversification. But, Mr. Vice-President, I want to also advise my goodly friend, Sen. Shrikissoon, that while we could zoom down to the 15 per cent decline in the agricultural sector over the last fiscal, I want to warn and caution everyone that we must pay attention to the activities in the last fiscal, and that being the unfortunate events of Tropical Storm Bret. We could all recollect the Valley flood and the Christmas flood of last year. And as we speak—and all of us here are on social media. While we are debating here today, we can share the cries in our citizens as the rains fall in an excessive manner and most farmers—and I speak for farmers—at this present time, are simply counting their losses on the field. But I would tell them, have hope because this Ministry has refocused and shaped the way in which we do things. And I want to also advise all persons affected that within the current legislation and the allocation, they have 14 days to report all their disaster, all acts of flooding on their crops and so on, they can do so at any county office, and we are prepared, the Ministry of Agriculture, Land and Fisheries, we are prepared to treat with each and every matter in a very serious way to bring relief to all these farmers.

Mr. Vice-President, let me turn to some of the contributions—some of the comments that I would have made in this honourable Chamber in my past reflections in terms of what we set out to do and what we have accomplished in going forward. We must understand that there is no immediate fix to the agricultural sector. So when one comes in this august Chamber and calls for the agricultural sector and farmers to be the “shining knight” to diversify the economy, we must understand that it is no easy fix because fixing agriculture is complex,

comprehensive and it is an undertaking, demanding and integrated approach with interlocking economic, environmental and social dimensions. We can all attest, Mr. Vice-President, and you also being an expert in the agricultural sector, in the fisheries sector, you will bear me, that today, as a matter of fact, any aquaponics or any tilapia farmer carrying out their activities, and you experienced flood today, it is not easy to get back on your feet when most of your commodities are flooded. So it takes time to rebuild the agricultural sector. It is a sector most vulnerable to external risks, and I dare say the environment—the weather—as we can see what is going on right now. So this sector will not be and cannot be the shining armour to just diversify the entire economy overnight. It takes time.

And, Mr. Vice-President, even before this administration was elected into office in September of 2015, I want to state on record that the People's National Movement set out its plans for agriculture even before and one can simply turn to pages 47 and 48 of the 2015 PNM Manifesto where we categorically stated 16 commitments that we spoke to prior to coming into office. And I want to just go through a few so that the population can be the judge of where we are and where Sen. Clarence Rambharat has taken this agricultural sector in terms of the progress he has made as Minister.

Mr. Vice-President, we committed to creating a unified structure for the Ministry and good governance arrangements for state agencies responsible for agriculture, and I dare say, significant progress has been made thus far. We committed to developing a comprehensive agricultural sector plan. An initial draft which was prepared along the work of a subsector plan was on the way and Cabinet has already approved plans for agriculture, livestock, fisheries and forestry, Mr. Vice-President, and out of that, the legislative work on the animal

health was advanced. Legislative work on fisheries was advanced and significant progress on the forestry and wildlife conservations matters has also been made. Mr. Vice-President, that draft I spoke to, the initial draft is currently being prepared and will be laid soon to the population.

Mr. Vice-President, we also committed to the introduction of duty concessions, subsidies, waivers and we committed to improving the system of payment of subsidies. We have made substantial progress at the end of the last fiscal and I want to indicate that \$53 million was paid out in flood relief assistance, subsidies and incentives. Further work on payment in this current fiscal is undergoing. So, Mr. Vice-President, when most of our opponents and, you know, most of the Opposition would say that nothing is happening in the agricultural sector and we as a Government, we are not doing anything for farmers, we are not doing anything, the statistics show differently.

Because in the history of this country and I could tell you, Mr. Vice-President, there was never a time—and this could be checked by all Permanent Secretaries that have gone before in the Ministry of Agriculture—where almost the entire backlog of incentives, subsidies were cleared and when rolling into the new fiscal, you are moving into a fresh start with your full allocation to deal with incentives and subsidies. And I think that deserves commendation because I would tell you, Mr. Vice-President, and—I mean, looking at Minister's approach in this Ministry, while most persons work eight to four, I want to confess that Minister Rambharat, in this current administration, has gone beyond the call of duty in terms of working a 24/7 shift.

And I will tell you, a few days before the end of the fiscal year, Mr Rambharat could tell you when he speaks, he was at the Ministry of Agriculture,

the accounts department, making sure that all goes well to close off the fiscal, and I could say, Mr. Vice-President, that ended up being one of the most successful end of term in terms of printing cheques and distributing to the tune of \$53 million. Never before has that ever been done [*Desk thumping*] where almost all, and I see my friend, Sen. Ramdeen, is smiling because we know he has— in the past, he has made representation for the rice farmers, and I dare say, almost all the rice farmers and almost all the incentives, subsidies and flood compensation for the last fiscal have been paid. So those farmers, Sen. Ramdeen, my friend, you can advise all your farmers that their cheques are awaiting at all the county offices.

Mr Vice-President, we committed to improving compensation for losses and have done so through working together with the Ministry of Finance on improving a regional insurance coverage for losses caused by excessive rain and we would have seen the benefits of that over the Bret period. We have also gone a step further through a current audit of the system for making these payments, and this audit is ongoing because we must, as a Government, stress on getting value for money, and the results of that audit will shape and chart the way forward on how we do things in the future.

Mr. Vice-President, we committed to expand and modernize wholesale markets in northern, central and south Trinidad and have done so and more.

3.45 p.m.

Mr. Vice-President, we have completed a major modernization and expansion of the Norris Deonarine Wholesale Market in Macoya, and we have substantially completed the expansion of the Debe Wholesale Market. [*Desk thumping*] Mr. Vice-President, together with that, we have established new farmers' markets in the Queen's Park Savannah; Santa Cruz; Rio Claro;

Chaguanas; Harris Promenade, San Fernando; Couva, and we are now in Valencia. We are also working closely with the City of Port of Spain on the possibility of a NAMDEVCO initiative returning to the Central Market in Port of Spain.

Mr. Vice-President, these farmers' markets I dare say are extremely successful because, and I want to use the example of Queen's Park Savannah and we can boast of the fact that over 3,000 consumers pass through that market everyday that it is called in Port of Spain. The consumers can tell you, one, they get quality, they get value for money and, more than that, they get to interact with the persons who produce the commodities that they are buying. So they can question. They can ask the farmers: "What chemicals have you used and where is this commodity coming from? Can I visit your farm? I want to see how your hydroponic system is functioning. I want to do one in my backyard." So the point about it, Mr. Vice-President, this whole new concept of farm to table model that the Ministry of Agriculture, Land and Fisheries has developed, has really touched the lives of almost all the citizens of this country, thereby giving them alternatives.

And as a Government, most times persons approach me and say: "Well, why do you not say only eat local or buy local?" It will be irresponsible for a sitting Government, Mr. Vice-President, to go and make statements like that in public, because also sitting in the Foreign Affairs Committee of this Parliament, you will know and I could tell you, Mr. Vice-President, that this country has bilateral arrangements and agreements with countries in all spectrums, and for us to be able to sell our oil and gas to some of these countries, we would have made provisions and open our doors to also trading in agricultural commodities. So I cannot, as a Parliamentary Secretary, or as any Member of this Government, go in public and say: "Only eat local." But what we can do, and what we have been doing, is

putting alternatives in the local domain, so that you the consumers can choose and choose wisely, I dare say, Mr. Vice-President. So all the consumers who have been participating and, you know, coming to all our farmers' markets I say thank you and we intend to expand that successful model of linking you, the consumers with our primary producers and agro-processors.

Mr. Vice-President, we committed to restoring land administration to the Ministry of Agriculture, Land and Fisheries and to improving the delivery of land leases to give farmers security of tenure. And you will always hear, in every contribution that the hon. Minister of Agriculture, Land and Fisheries makes, be it this place or outside, he would tell you and he would stress that this year his number one priority is dealing with the land administration of this country that has been languishing for decades. Persons, when you go out there, it is only when you talk to farmers and state land users you realize how long some of these persons are waiting on a simple piece of paper to tell them well: "Yes, you are regularized, and you can continue your activity. You can go to the Agricultural Development Bank, source funding and have that level of security so that you can pass it on to your next generation, your children and all of those."

Because I could tell you, as a young farmer myself, and I do not need to declare that anymore, everybody knows that I am a farmer, but looking on and seeing in the context of young people getting into agriculture, and I am speaking for myself. If I am looking on and I see my father having to go through 40 or 50 years trying to get this lease, this piece of paper, to tell him, well yes, you can continue what you have been doing 60 years, 50 years, or in some cases even more; to get that level of security, to go to the ADB and really contribute and expand on your agricultural production. As a young person I "doh wah no" part of

agriculture; if that is what I have to do, kneel on my knees and beg that somebody listens to me to find an arrangement to give me a land lease. And that, Mr. Vice-President, will be something of the past under this current People's National Movement administration. [*Desk thumping*]

Because when we speak to the land, the whole land system, Minister Rambharat will go into the details and he could tell you just last week or so, he would have had the opportunity and the privilege to oversee the launch of a land card system, and Minister Rambharat will go into the details, but I will just give you a sneak peek. That will bring all state land users under a portfolio and a platform, where your file and your documentation can be tracked, so it does not matter, you know, or who you know at a desk, to be able to follow-up on your land matter or your regularization status. It will be based on a system of effective and efficient progress. So that when you go to the Ministry of Agriculture, Land and Fisheries or any office, you will be follow-up and have all your information, your documentation, at the tips of your finger at the other side of the desk. So, progress, Mr. Vice-President.

Mr. Vice-President, we also committed to providing financial assistance to farmers, and the Agricultural Development Bank continues to do so. More importantly, partnering with the Ministry of Finance, we have launched a new agri incentive, which I call a game changer for food producers in this country. In addition, the Agricultural Development Bank is currently considering a micro-lending facility of which more, the hon. Minister will speak to.

Mr. Vice-President, the agri incentive grant, again, I will just touch on the outside of it. Minister Rambharat will go into the details: who would be qualified, how it is going to be benefited by most; and that is the hundred thousand dollar

grant that farmers will be able to access. In fact, they can go right now. Just log on to the Ministry of Agriculture, Land and Fisheries website. I will speak little more on that as I continue.

Mr. Vice-President, we committed to improving technical assistance and extension services to farmers, notwithstanding the work done so far. This is an area in this current fiscal that we would be looking at, too, closely. We also committed to the construction and maintenance of access roads, drainage and irrigation. We have done some work with our partners and my colleagues, the Minister of Works and Transport and Rural Development and Local Government and, I dare say, we will continue to do more in the infrastructural upgrades of this country, in terms of agriculture.

Mr. Vice-President, we committed to providing incentives to establish corporations and cooperatives processing, packaging and delivery to customers. And my colleague, the Minister of Trade and Industry, is here and she would go into the details of that and she can tell you the achievements and the beneficiaries, how happy they are to share in that grant issued by her Ministry, the Ministry of Trade and Industry. [*Desk thumping*]

Mr. Vice-President, we committed to promote agricultural entrepreneurship, particularly among rural youth. Working with the THA and UTT, new programmes were introduced in Tobago and in Trinidad and a special emphasis has been placed on overcoming this youth conundrum. Because, Mr. Vice-President, every time you hear youth and agriculture, it sounds good, it is a good paraphrase, it is a good clip. Where you say youth and agriculture it goes hand in hand, it goes well.

But, Mr. Vice-President, in the past, under all administrations, it was never

realized, it never became reality. Because, Mr. Vice-President, the reality is persons, and young people in the case of agriculture, they may not have certificates. They may not have funding and, more importantly, they may not have land. Because you cannot talk agriculture, if you do not talk land.

So, Mr. Vice President, what have we done and what are we going to do? The Agricultural Development Bank and UTT are currently working with us to develop a specific support system for youth and particularly youth in rural communities. We committed to introduce effective measures to counteract praedial larceny. We have improved the physical accommodation for all our officers, but to date this is not an area which we feel enough progress has been made. And I am admitting it, Mr. Vice-President, much more could be done and will be done in the coming fiscal.

Mr. Vice-President, I now want to turn to some reflections, in terms of what this Government has done in the agricultural sector, what we promised the nation that we were going to do, in terms of our delivery and what we have done in my reflections. In reflecting in year one, in my budget contributions in this honourable Chamber, you will be able to see that we promised a review of the Ministry's structure, focus on good governance and focus on people. Those were the three key elements that my hon. colleague, the Minister of Agriculture, Land and Fisheries and I spoke to from day one and our first contribution, in terms of the budget at that time.

Let me tell you, in terms of structure, across the Ministry what we do, why we do it and how we do it, it has been under scrutiny for quite some time, and the focus has been on developing a more modern, responsive and relevant Ministry. We have reduced those things that are no longer relevant or in some ways doing

things that are no longer productive or producing results. We are increasing connectivity to our state entities and to other Ministries that execute part of what we need to do for our stakeholders, and we have been positioning people from within our workforce.

Mr. Vice-President, as Parliamentary Secretary, I want to also indicate that I do not think that we have made it public or official, but in terms of our whole thrust to deal with structure and moving with people, the Ministry of Agriculture, Land and Fisheries, head office operations officially moved to central Trinidad, in Chaguanas, in August of last year. Mr. Vice-President, a very strategic move, a very nice building, a very nice atmosphere. The staff certainly loves the ability to work. The motivation is certainly present. But more importantly, we are closer to the people. We are closer to our clients, and we are closer to the real producers and they have that ability to access us even more easily. So we are in Chaguanas and persons from east, west, north, south and central can access the services and goods of this Ministry.

Mr. Vice-President, in terms of good governance, non-performing state companies have been closed, and right off my head I can point to two, Caroni GREEN and SIDC. I want to tell you something, you may not know, and in my current tenure at the Ministry of Agriculture, Land and Fisheries, when I first came in that office it was a site, very interesting to me, to see a Porsche “park up in de yard” in the Ministry of Agriculture, Land and Fisheries and I did not even know that was a Ministry’s vehicle. But I want to add to that, Mr. Vice-President. Under the SIDC, you could simply pass along the highway in front the building and you would see a Mercedes-Benz “park up in front de Ministry”, belonging to the Ministry of Agriculture, Land and Fisheries under SIDC.

This is just to place the point that, under the last administration and under the last government, they simply have absolutely nothing to show for the development in the agricultural sector. SIDC certainly has a Mercedes-Benz to show for what they did. And I dare say, in the same story with the Porsche, I hope the same follows suit, with respect to that Mercedes-Benz bought for the CEO of SIDC, now belonging to the taxpayers, parked up in the Ministry of Agriculture, Land and Fisheries, with absolutely no use. Because it cannot visit a single aquaculture farmer. It cannot visit a single person who would have been in the SIDC arrangement. Nobody. Absolutely no value whatsoever.

Had they bought a Land Rover, and I see my friend, Senator Hosein, he is well into vehicles, even if they had spent more money on a Land Rover it was effective because it was suitable for the office, Mr. Vice-President. So, Mr. Vice-President, that is what SIDC has to show for their entire tenure; a Mercedes-Benz that has been parked up at the Ministry's compound. I am putting the Central Tenders Board on notice. Please get rid of it. Mr. Vice-President—*[Crosstalk]* Central Tenders Board.

Mr. Vice-President, when we speak to people across the Ministry, we have been improving the physical working conditions, and I have just spoken to that move, our head office arrangement, giving persons the comfort of dealing in a new building, a new atmosphere and definitely experiencing, you know, what we said we were going to do, in terms of treating the people that have to make our work a little bit easier; make them comfortable.

Mr. Vice-President, let me reflect on year two, in what we have done as a Government. We promised an increase in investment in technology and attention to water management. We have made investments in both areas and are seeing the

results up to this day. With our partners in the Ministry of Works and Transport and Rural Development and Local Government, we continue to work on the irrigation channels and water courses, and at the same time, we continue to invest in maintaining the water management infrastructure that we currently have. And two examples, Mr. Vice-President, I could speak to the Orange Grove farmers area and the Plum Mitan area, where we are continuously monitoring and managing our water resources in that area, as well as the Caroni basin, Mr. Vice-President.

In reflecting on year three, on what I presented and what my hon. colleague presented, we promised focus on land tenure, land management and legislative action. Mr. Vice-President, as I indicated, just last week we ushered our new state land users into a new norm, which is called the Land Card system. Again, Minister Rambharat will spend some time talking about that.

Mr. Vice-President, in terms of leases, just to put in perspective, and when dealing with the Caroni (1975) Limited issue, Minister Rambharat has had the pleasure of distributing over 7,000 leases, Mr. Vice-President, and why I am stressing on this point is because, when we came into office, we were told that the last administration and the last Minister of land and the last Minister of Agriculture, and whatever else arrangement they had, distributed thousands of leases. But we were shocked to note that some of these persons who were in receipt of these leases had four and five photocopies that were presented to them. That is the numbers that they used to come up with “three/four thousand” leases distributed. Because, Mr. Vice-President, persons were, you know, astonished to note that they would be called by the Ministry of Agriculture, Land and Fisheries, on more than one occasion to receive their lease when they already received a lease, only to collect a photocopy of the one that they received already. So that is

the statistics that they UNC can speak to; giving persons photocopies of the same lease that they would have received. But I can tell you, under this administration over 7,000 agricultural leases were distributed, Mr. Vice-President. [*Desk thumping*] And these are not photocopies. These are actual leases.

Mr. Vice-President, as I am on the topic of leases, Mr. Vice-President, I want to publicly, personally, privately, however, thank the Ministry of Planning and Development at this point in time, Mr. Vice-President. Because for far too long we have been hearing about the Guave Road farmers. Mr. Vice-President, let me place on record that we are extremely pleased to note that the Guave Road farmers will finally be getting their long-term leases under this Government, Mr. Vice-President. Because I have spoken to some of these farmers and some of them can tell you records date back. They have records, in terms of transactions that they were planting and producing for 60 years, Mr. Vice-President. I dare say that the Chaguaramas Development Authority, under the last administration, did not see it fit to recognize these longstanding farmers, but it took this Government and this administration to deal with that once and for all. So, the Guave Road farmers, they can look forward to their long-term leases in the coming weeks.

Mr. Vice-President, after 106 years of the existing fisheries legislation, a new Bill is before the Legislative Review Committee of the Cabinet. A new animal health Bill is also before the Legislative Review Committee. Through our partners in the Ministry of Planning and Development and the EMA, the Scarlet Ibis is now an environmentally sensitive species, Mr. Vice-President, [*Desk thumping*] and that is something we should be patriotic about and we should be very happy and pleased to note.

Through our partners in the Ministry of National Security, the double-bloom

Chaconia flower is on its way to becoming our National Flower, Mr. Vice-President. And with continuous changes since 2016, hunting and wildlife conservation in this country is moving towards the right balance, Mr. Vice-President.

In year four, Mr. Vice-President, first, and even greater, as I indicated, emphasis on land tenure, as we move a larger number of state land users into the Land Card system that Minister Rambharat will go in-depth with. We will move more farmers and residential tenants to long-term leases. We will aggressively calculate and collect outstanding rent. Because when we speak to land and land tenure and land administration, many times we talk about land but we do not realize how much revenue is foregone in dealing with land administration, because there are thousands of farmers and state land users in this country who are more than willing, pleased and anxiously awaiting to pay their rent, because it gives you that level of security. It indicates to you that nobody could just come and say: “Well yuh doh have yuh documents. Yuh did not pay yuh rent, and what have you”. You secured, land-tenure secured. So, that is also another avenue that we will be pursuing, Mr. Vice-President.

Second, a further investment into technology, particularly in land administration, but also in the increase in number of our business services that can be offered.

[MADAM PRESIDENT *in the Chair*]

I welcome you, Madam President, to the Chair. These services, Madam President—so we focus on integrity and accountability in our allocation of subsidies, incentives and period disaster relief assistance.

Madam President, in terms of the IT upgrade of the Ministry, I could tell

you, persons can log on the Ministry's website and now you can file all our claims. You can register as a farmer. You could renew. You can apply for the new incentive, the \$100,000 grant application.

Madam President: Senator, you have five more minutes.

Sen. A. Singh: Thank you, Madam President. You can go to the Ministry's website now and do most of your transactions online, make your application, you, know, seek information. And soon, Madam President, and you know, as I am on this point, Madam President, you hear persons sometime say: "Well farmers not really IT savvy or they are not too technically inclined, in terms of the smart phones and computer, and all of that. But when you look at, sometimes on mornings at Marli Street or all the various embassies, farmers have gone beyond the call of learning the IT infrastructure and keeping up with times and applying for their visas, renewing their passports and going to all these interviews, and so on, that have dealt with application online or something that deals with a smart phone or the technology available.

So gone would be the days that we can come here and say, well nobody is going to use the Ministry of Agriculture, Land and Fisheries website to file a claim or put in an application to renew their farmers badge, and all of that. The farmers now are very much inclined. They are very much educated and they are keeping up with the technology and this added service that we will be offering to include all these farmers and state land users on the platform, will certainly be beneficial to everyone, Madam President.

Madam President, my few minutes that I have left, I wanted to go into some details, in terms of what we are going to do in 2019, with the current allocation of just around close to \$1 billion.

Madam President, we will continue to deal with our road network and water management. Rehabilitation work will continue. Water management infrastructure will continue. The Orange Grove project, the Felicity project, all of these projects that require upgrades will be done in this current fiscal.

The development of a water management infrastructure for the Caroni and Bejucal area, Madam President, that will be undertaken. Rehabilitation and development of physical infrastructure at Plum Mitan will include the embankment of the Jagroma River and the perimeter cut, Madam President. Restoration and management of the Guanapo Watershed, this will be done on a pilot project basis; development of a wastewater system for the livestock industry; provision of the upgrade and refurbishment, repair and maintenance facility for all the vehicles in the Ministry, and this would be done in the workshop in El Carmen.

In terms of fisheries, Madam President, as I indicated earlier, the project entitled “Implementation of an Action Plan to Address Illegal, Unreported and Unregulated Fishing in the Ports and Waters under the Jurisdiction of Trinidad and Tobago”, significant progress has been done. This Bill is currently at the Cabinet stage and it will be coming to this Parliament and we look forward to the support, Madam President.

The establishment of a community-based aquaculture programme, this is an existing programme. We will be doing more, with respect to training and giving persons the tools that they require to become successful entrepreneurs in this sector.

Madam President, provision of planting material, and I want to stick a pin here. The proposed plant production targets for this fiscal is just around 400,000 nursery plants. And we all know what took place, with respect to the citrus plants

that we would have had to destroy because of the Huanglongbing disease or the citrus greening, but significant efforts and development in that area have also been undertaken by the Ministry to get new plant material and new citrus varieties, and so on, resistant to the Huanglongbing disease. A total of 12,000 kilogrammes of seed material is expected to be produced in this fiscal.

Madam President, in terms of crop research, because many times we hear persons talk about agriculture, and, you know, it is a science at the end of the day, so crop research is very important in developing new varieties and testing stations, and all of that. So the testing of citrus greening, frosty pod disease in cocoa and lethal yellowing disease in coconut, using molecular techniques. That is going to be undertaken in this fiscal.

Madam President: Senator. Your time.

Sen. A. Singh: Thank you, Madam President.

Madam President: Yeah. Yeah.

Sen. Melissa Ramkissoon: [*Desk thumping*] Thank you, Madam President, for acknowledging me and my willingness to join in the budget debate, 2019. I must say this time, as my fourth budget in the Eleventh Sitting of the Parliament of the Republic of Trinidad and Tobago, this budget debate would be my very first different one. I have learnt in debates, after serving some time here, that based on your skill set you can hear what you want, based on where you sit.

Madam President, as you have said in the prayer earlier, I do pray that we all rise, as we listen to help us to see the truth and all its implications into our lives. And, Madam President, it is truly a different time in our country. There is a lot that we are faced with and it was quite interesting that the Minister of Finance chose a theme such as, for Budget Statement 2019, *Turnaround*, and I felt this to

be a very different theme, based on the last budget debate's theme. So I went and did a little Google search and looked for synonyms of "turnaround" and found words like U-turn, annulment, cancellation, repeal, retraction, switch, double-back, rescinding, backpedaling [*Desk thumping*] and I could not understand why we would want a backpedaling budget reform.

This is not the promises of this administration. We have heard a lot of promises for our country and where we want to go. So we would expect a budget theme to be a little different. But, as I have said before, I have heard a lot and did like what the Deputy Speaker said in the other place; that when you are given lemons you must make lemonade. And I would expect us to hear a lot about lemonade from the Government Senators, maybe some lemons from the Opposition Senators.

4.15 p.m.

But where I stand, Madam President, I expect a lot of lemonade. I expect us to have golden pears, apples, grapes, land of milk and honey. And that is because our country is wealthy with natural resources, our country is wealthy with brilliant people, and our country is wealthy with skill. So, Madam President, what I have learnt and I just share my personal hypothesis as an Independent Senator. I enjoy the conscious vote where I have the opportunity to not be influenced by any party influence. I have learnt not all Senators have that opportunity but I can only hope and pray as we evolve as a nation that regardless of who you are and where you sit, you will always have a conscious and impartial mindset when you are to vote on legislation or support something.

So, Madam President, it was very difficult to decipher fact and fiction when I was reading the Budget 2019 other than reading newspaper articles to support it,

which one was fact and which one as fiction. It was very difficult for me to decipher. Because, Madam President, we expect people and persons on all sides to be transparent and accountable for what they say and what is published in our public minds.

So, Madam President, there were good initiatives. I was proud to hear in the Budget 2019 that we would have hybrid public transport buses that will start in 2019. So, I hope this is cheaper than our diesel vehicles, so that is some lemons for lemonade.

Another good initiative I found was the development of an administrative complex on Chancery Lane, San Fernando. That is a good initiative where we would have persons with 10 floors of office accommodation, three floors of commercial space and 300 parking spaces. I would hope that it would be 500 if you are considering the water taxi crowd. But, nevertheless, these are lemons for lemonades.

Now, we look at the Skinner's Park upgrade. Is it necessary spending for our country at this time? We have a Manny Ramjohn Stadium which is very costly to maintain. We have the Guaracara Park in Pointe-a-Pierre, we have the Brian Lara Stadium and we have the Cricket Academy in Tarouba. All these things are State paid to maintain, but yet we want to upgrade the Skinner's Park at this time when we are in public debt, but that is okay. Lemons for lemonade.

Upgrades needed. Unfortunately, Sen. Sinanan, is not here for the road conditions or roadway conditions in our country. Nowhere in these documents, Madam President, said that if we wanted highways we would have to be shaking while we are driving continuously. It did not say, Carnival is all year, it is once a year. So we need to say if we are going to have new highways, all other roads

would be filled with potholes.

So, that is what I would like to know at this point. The San Fernando to Point Fortin Highway: new construction almost completed hopefully. Pedestrians or persons who are living in the community are jumping over the barriers to cross the dual lanes. This is unsafe. So, is there ever the idea to build walkways when we are building/constructing new highways? Or we just want road fatalities, pedestrians would be jumping across the road and hope for the best for our country. Anyways, I do hope that something could be done, because this is the practice that is becoming the norm and then we complain when people do not use the walkway.

But, nevertheless, let us move on. Madam President, many Senators before me spoke about Petrotrin. The Petroleum Company of Trinidad and Tobago. I am one of the employees of the Petroleum Company of Trinidad and Tobago who are being retrenched. But, it is a part in my life that is life changing. But it does not take away what the company's goals and objectives are. Because, the mission of Petrotrin is—"Petrotrin as the national petroleum company, operates to optimize the return from its resources for the benefit of its shareholders and the citizens of Trinidad and Tobago." So, I stand to speak about this in relation to our Budget 2019 Statement.

Now, Madam President, we all know that Petrotrin has a long and rich history, dating back to the first oil well drilled in our country since in the mid-1800s, which firmly places our country amongst the oldest existing oil and gas companies in the world. So when we talk about Petrotrin, we just do not think dollars and cents as we like to make it out. We have employees who are nationals of Trinidad and Tobago employed there.

Values, when we talk about Petrotrin, when we look at their Mission Statement, Values; it says: people—“We respect and trust people and value their ideas, are committed to their development and have the highest regard for human dignity...” This is Petrotrin’s statement on values. It does not feel so at present. But, nevertheless, history has a tendency to repeat itself. We have always heard that time and time again. But right here in our little island, Trinidad and Tobago, we are making history repeat itself. I want us to reflect on Tuesday, December 01, 2009, Sen. Dr. Kernahan was making a contribution in the Senate and I quote:

“...history has shown that this Government’s intent was never to restructure the sugar industry as the Minister has said, because any sensible person would know that restructuring would imply measures to ensure greater efficiency; greater profitability for all stakeholders in the context of new strategies and new technologies with respect to the use of the sugar cane plant...”

Restructuring, very early we heard that Petrotrin was restructuring, they said, no, they are reshaping, restructuring means sending home workers and we are not sending home workers. Today we learnt that every single worker will be sent home—[*Desk thumping*]*—*but that is not the end of this quote. It goes on to say that:

“This administration”—it was speaking then in 2009, not the present one—“apparently was determined to shut down Caroni (1975) Limited, and they used the opportunity and the excuse that they must shut down Caroni (1975) Limited, because as the Minister said”—it is—“a drain on the economy...”

It went on to even share, Madam President,—I quote:

- “It kept 10,000 rural sugar workers and 15,000 cane farmers in gainful and

productive employment...”

It says:

- “A rural community of over 300,000 was dependent on the operations of the industry for their economic survival.”

It even said that:

- “The foreign exchange earned by the industry from the export sales was US \$175”—million—“annually.”

Madam President, as I said earlier, we are repeating history in this way that we are impacting on the present day employees and the workers and the country, especially South Trinidad an impact that we do not—we cannot comprehend. Madam President, none of us were alive 100 years ago. We do not know life without a refinery or the E&P that belongs to the nation.

Now, I understand that it has changed hands many times, but that is what we will see when I go on a little later on here that, why would we think that it is negative to close down Caroni and why am I linking it to Petrotrin? If you look at our history again, Madam President, 1994 to 2018, crime statistics, Trinidad and Tobago crime statistics from the website tcrime.com. It went on for simple things 1994 murders, 143; 1995, 122; 1996, 106; 1997, 101; 1998, 98; let us go down to 2003 when Caroni was closed, 229; 2004, 260; 2005, 386; 2006, 368; 2007, 395; let us look down to here 2015, 410; 2016 murders, 463; 2017 murders, 494; I do not know what is our number today—

Hon. Senator: Who was in power?

Sen. Ramdeen: 425.

Sen. Ramkissoon: We have heard from the administration that we want people to wean off the Government to be self-sufficient. I support that, teach a man to fish

you feed him for a life time. I totally agree with that. But if you take away their jobs in a manner like this what would you expect. You are not just touching—you are not giving someone notice, you have not said, “You are a poor worker, you have an opportunity to re-change your skill set, you are now being reviewed, you have three months to change or you will be retrenched.” It is not the case, Madam President, all workers, 5,000 regardless of your dedication, commitment, your skill set, how bright you are, if you were at the top of the class, if you were a scholarship winner, whatever, it does not matter, you are going home.

And to top that off regardless, Sen. Small mentioned it, if you are in a state enterprise and you know that you are permanent and you decide that you are going to build a life, you decide, okay at 35, you decide you are permanent you are settled, you tried the job market you are working Petrotrin, you are committed, you have built a foundation here, you are settled, you are comfortable, you believe that this is the company you want to build, you want to invest in, because there is something called loyalty to an organization. Many young people are faulted because they do not have loyalty to an organization.

So, imagine somebody who is loyal to an organization like Petrotrin investing their time and effort to go beyond the effort for this organization decides okay, I am going to take a mortgage out because this is where I want to stay and build and this is for the Petroleum Company of Trinidad and Tobago. I am a citizen of Trinidad and Tobago this is where I want to be, decides to take out a loan, a mortgage, you have student loans all of these things, you might have children who are in university and then you stop. You say, okay this is my plan for the next 10 years and this is what is going to happen. No, 10 years come, Madam President. The next morning that very said day in August 2018, that all workers

will be retrenched get your act together you have notice the company is closing on November 30th.

Where does that put workers, citizens of Trinidad and Tobago? But, Madam President, it is for the administration to consider. I say these things for consideration. I do not say these things strictly to say that we want sympathy, no we want answers. We want to say, why is there zero accountability for management? Why do we have revolving leaders based on political alliances every five years, management and leaders change within Petrotrin? Why? Why is it that we want to fire all and demonize every single worker? Why? Why is it that we show little consideration for workers who are probably 45 to 55, who have a mortgage and car loans and children in university, why are we casting the same blanket for all? Why? No compassion, Madam President, but this is the Government of Trinidad and Tobago, this is citizens of Trinidad and Tobago; is not Guyanese, or Americans, or Europeans; these are citizens of Trinidad and Tobago.

So, Madam President, let us just look at another record that I want to correct while I am on my feet in relation to Petrotrin. Madam President, before I say this, I want to say that I hold Sen. Khan in very high regard. He is someone who has given—

Madam President: Minister Khan.

Hon. Senator: Minister Khan.

Sen. M. Ramkissoon: Minister Khan, Okay. Thank you for the correction, Madam President. Minister Khan in high regard, a person who has given a lot of his life to public service, public live and in no means is any disrespect to Minister Khan in any way. The areas I raise are based on the portfolio in which Minister

Khan holds as the Minister in the Ministry of Energy and Energy Industries and in *Hansard*, dated 11 September, 2018, Definite Urgent Matter, Closure of Petrotrin Refinery, Sen. Khan said that,

Due to antique—“...work processes. A cost structure that was totally out of whack with industry standards. Poor investment decisions on very, very high cost major projects.”—and Madam President, I am quoting:—“The hon. Senator is right, World GTL, GOP, ULSD, they are all poorly executed projects in terms of project management. We failed as a nation. It is not the PNM failed, or the UNC failed, or the NAR failed, we failed as a nation. We failed as leadership in the energy sector saddled with heavy debt burden and a lack of strategic direction.”

Key words, “we failed as a nation”. In the words of Steve Jobs; “In weak companies politics win, in strong companies best ideas do.” I do not believe it is we, who are we? We are not leaders or choose the boards of directors for Petrotrin. We are not the ones who are signing the deals or guiding the Ministries or the PSs. Who are we?

Who are we as a nation and it cannot be as a nation, because if we look UWI ranks in the top 5 per cent of universities worldwide. The University of the West Indies has broken into the Times Higher Education World University Rankings for the first time. In the 2019 Times Higher Education World University Rankings has ranked the university among the top institutions in the world. So if it is a nation that means that all our professionals who have attended the University of the West Indies are not working here. Madam President, if we have failed as a nation definitely not. Because our nation is producing some of the world-class—because UWI is now in the elite band of the top 5 per cent of universities worldwide based

on the data showing that there are over 25,000 recognized universities globally.

So, I am quite confused when we say as a nation we have failed. Because if we look, what did they evaluate. Because regarded as the definite list of top universities the Times Higher Education World University Ranking showed that they judge based on research intensive universities across their core missions of the teaching, the learning environment, the research, the volume, income and reputation. They also looked at the international outlook, the staff, the students and research, site stations, the research all of this was looked into as consideration for top ranking or top rank universities. And when we look at our local skill set and education levels, we will know we have the best. Because we have St. Augustine as one of our campuses which is in Trinidad at the moment. So I would not think that we should blame us as a nation, because our nation is performing very well.

And for persons, Madam President, who like to give advice, and say that Petrotrin's retrenched workers should, you know, seek external jobs or go international and represent us. That is good. But I would not really say that, I always think it is proud to give back when you have received from your country. It is always good to give back locally and I would not encourage our brilliant minds to leave our country and say to the criminals stay. So, I would not want us to do that.

So, Madam President, it is not about saying that we have failed but finding a solution and as an engineer we are always part of a solution and I always believe that there is something that more can be done and we cannot just say we are blaming and we have brilliant strong scholars amongst us and it is all about survival. And Madam President, it is not to say that the company Petrotrin is not flawed. Because if we look at another *Hansard* document dated the 20th of the

10th, 2015 Appropriation Financial Year, 2016 Bill, 2015. Sen. Khan had highlighted and I quote:

“Palo Seco Agricultural Enterprise Limited, which is a UNC nest, if I should say so myself, the manager Project Engineering and Maintenance Services, the person who signed off on this contract and who signs on hundreds of millions of dollars of contracts under PSAEL, he was employed in 2013. He graduated with a Bachelors in Civil Engineering in 2010... An engineer with three years’ experience...understand Palo Seco Agricultural Enterprises Limited is the largest manager of land in Trinidad. They own all Petrotrin lands.”

So, Madam President, all of that to say, are we still blaming the nation or the leaders, or the politicians? Who is making these decisions? I have heard right here accusations on both sides, both UNC and PNM, crying out every sin is counteracted with an equal or worse sin. It is not even like they try to defend it, they just bring up a new situation. There are so many to outline or pave the streets.

Madam President, I personally have said that I work in the organization and I have witnessed, “first0000h01andedly” situations that should not ever exist if there is a strong labour movement in the organization. So it is surprising to say that this is an organization that is not filled with flawed leadership and situation that is influenced by external parties. I say it again in weak companies, there is strong political influence. In strong companies, there are great ideas that influence. So what is the influence and what are you going to do about it? The only ideas are to close down and send everybody home and so be it. That is the only idea we have after 2003, 2018 and we still have the same idea or approach to fail state enterprises, leadership flaws, I cannot believe that. Madam President that cannot

be right. How can that be possible, we have learned nothing of how it impacts our nation and our country? That we just say, okay this is the only way and this is what we are going to do? Regardless of the outcome. Cannot be possible, cannot. This cannot be the way we would want to go in 2018.

So, Madam President, I want to say there is a lot of information that is out there and I do not want dwell on it extremely, because there is three other points I really want to raise, before I end. But I do want to share on the record because I have not really heard anyone put the figures on and I just want to say why not. So, the *Guardian* did an article on 4th September, 2018 and it is from the Extractive Industries Transparency Initiative Report that provides data on Petrotrin and “it had” the Petrotrin upstream tax contribution and it shared that from 2010 to 2016, Petrotrin paid \$20.3 billion in taxes, royalties and other statutory obligations to the Government. And it is very strange that when Sen. Khan said that there is a bullet payment of 850 million due in August 2019. So that is about TT 5.7 billion. So, we have 20.3 we have gathered over the years and we have 5.7 that we cannot make. Why is that so? Why is it that the company has so many on record and we cannot seem to find the amount? Is it that the leadership have squandered the money and we are unable to fix it at this point and workers are paying the ultimate price and workers and the industry is already strained and the economy cannot absorb them all, but it is okay, because we are going to continue to do as we please?

So, Madam President, I have even heard many times that we say Petrotrin is overstaffed based on the refinery, based on the oil and gas sector, we are overstaffed. Why it is that when we own our state enterprises or we own our industry and they say that we want to give back and we always say that Petrotrin

has made investments in sports, civic life, culture and even skills training, capacity building. Between 2012 and 2016, Petrotrin invested \$65.5 million in social projects. These projects including sponsorship of steel orchestras, reforestation programmes and technical and vocational apprentice programmes. But when we talk about it, we do not remember these things.

So, Madam President, I want us to remember, I want us to be advised, I want us to remember these are citizens of Trinidad and Tobago your very own and we provide a labour intensive surrounding for our surrounding communities and we want to ensure that we make conscientious decisions.

So, Madam President, there is a point that I want to raise before I move on and that on the fuel subsidy. The budget 2019 said that motorists should note that our price of US 73 per barrel. I heard this morning that the Minister in the Ministry of Finance said that the estimated price per barrel is US 65. Now, I have not heard from either Minister what is the price of Molo crude and what is Molo crude; our indigenous crude, what we produced at E&P, Exploration Production. Our local crude is what we consider Molo crude.

We heard Sen. Small speak about blended crudes and that is why we import crude for our refinery because we blend it to have a certain API degree so we could get the best products. Quite simple. But we are not blending crude in E&P, we are selling our extracted crude which is Molo crude. So what is the price? It cannot be US 65 or US 73 per barrel. And that is what we would want to hear in the budget, not that we have a US price of 65 because we are not exporting products anymore. We are just importing. Well that is the plan, I am not sure if it changed because I think yesterday there was a change on some new enterprises being developed at the Guaracara refinery. I did not hear much about it and I did not

hear about it today. So, I am not sure what is coming out of that because I always believe that, yes, it is our country, our resources, our state enterprise, then so be it. It should be for us and our uses. And I could not understand why we could not hear what would be the sale price of our Molo crude. It was difficult to find online, Madam President, because when you look at buyers they “doh” ever tell you the price of that, because they normally would have blended crude so they would buy a wide range. But I am not sure what our price is. But I do hear the Minister always saying that it is difficult to find the extra 700 million in 2018 for the subsidies and I cannot understand why we cannot find the 700 million when we could find that same money for the Magdalena Grand. Because in the Magdalena Grand Hotel which is owned by the Government for the last 10 years, consecutive years, we have had losses over 400 million in losses.

So if we could find \$400 million we could find \$700 million to give the fuel subsidy. Right. So that is just my point, because it belongs to the people of the country. The hotel does not belong to the people of the country. Because the reason why Trinidad and Tobago bought that in the first place, according to the *Newsday*, 28 March, 2008, “Government buys Tobago Hilton for \$214 million.” And that was to say that Tobago Hilton—to prevent the Tobago economy from collapse.

And, you know, Dr. Keith Rowley said the Government decided to acquire the shares because they are no longer able to maintain the hotel up to the standards, so they wanted to take it away from the Tobago Hilton and he explained that if the Government did not act, the Tobago tourism industry would have been dealt a fatal blow and several foreign airlines which fly to the island would have been considering pulling out. Right. And they said they would have—the Cabinet

approved the allocation of 45 million for immediate—

4.45 p.m.

Madam President: Senator, please. Keep the noise level down. Sen. Ramkissoon, continue.

Sen. M. Ramkissoon: Thank you, Madam President. So, as I said, and the Cabinet in 2008 approved an allocation \$45 million for immediate repairs to the hotel—so that is 214 plus 45 plus 400 million for the losses over the 10 years which is \$659 million. So if the Government could find \$659 million for the Magdalena Grand, they could definitely find money to do other things for the people of Trinidad and Tobago. [*Desk thumping*]

So, Madam President, I spoke about that, and then let us just talk about that since I am on that point one time. Let us talk tourism. Sandals Golden Grove Tobago Project. They are asking us in this budget to support the initiative. It is difficult for me to support the initiative, because if we look at the Joint Select Committee on State Enterprises in June 2018 with e TecK managing 19 businesses, parks and two hotel assets, they found that the Magdalena Grand has not been operating—sorry; I mean, has been operating at a loss since it opened in 2012. And it even went on to say that the number of visitors has been declining over the years. So, Madam President, it is difficult to see how in 2008 we wanted to save the economy by going into tourism and now—

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

Sen. M. Ramkissoon: Thank you, Madam President, and now we are at a stage where it is all lost. And the reason why I have to say that, Madam President, one has to link crime to tourism. You cannot have tourism and not address the issue of crime. Trinidad and Tobago has been losing the fight. If you look at *Newsday*,

Wednesday 31 December, 2008, Queen Latifah's jewellery stolen in Tobago for an amount of US \$10,000. I never heard if it was recovered. Another case, two Tobagonians charged with the theft at Magdalena Grand on 07 June, 2016. Madam President, \$16,000 in jewellery was stolen and US \$8,000 in cash. So, Madam President, again, you cannot just leave it and let it be.

So in my four minutes left, I just want to make one more point, and that is what we have been doing as a nation, and this falls in the laps of the Opposition presently. Trinidad and Tobago owes China \$2.229 billion in loan debts and that was based on the answer given on the 31st of January, 2018 after an Oral Answer given by the Minister of Finance. Trinidad and Tobago currently owes the People's Republic of China \$2.229 billion. The debt is in the form of loans and financing facilities as at January 31, 2018 and they want on to say the NAPA, the SAPA, Couva Hospital, which is still unopened and outstanding debts, also a patrol vessel and it brought up the figure to 2.229.

Now, Madam President if we look at world today, "Eight countries in danger of falling into China's 'debt trap'", by Quartz that was published on the 07 March, 2018. It is called a:

"'debt-trap diplomacy': Offer the honey of cheap infrastructure loans, with the sting of default coming if smaller economies can't generate enough free cash to pay their interest down."

In Sri Lanka it remains that the port has been taken, and now they have the world's emptiest airport. It tends to be the same thing for us, because I do not ever hear NAPA and SAPA sold out but yet, you know, we continue to go into the Chinese's arms, because now I hear in this budget 2019, we have the Belt and Road Initiative. Now, what is the price of this now? We have even a new modern

industrial park, Phoenix Park Couva, at a construction cost of US \$104.3 million. Really? We already cannot pay back \$2.229 billion, so now we are going to enter into a new one for US \$104.3 million. And you know what is even interesting? They said that China has made investments and signed contracts with countries that are most corrupted and they went after Africa to save the 34 African countries, because they want their countries' wealth.

They have earmarked us because we are a hub for South America, but we continue to go ahead because, you know what? We are a country that understands that everything will be okay and we will continue to put our country in more debt, once we are happy presently and we even have more debt here, I am seeing, for \$3 billion, again, under the People's Republic of China, for a harbouring system here for the China Harbour Engineering Company in the budget 2019. Why, Madam President? Is it that because we are in debt already we continue to add for the People of China Government or the Government of China?

Now, Madam President, if I wanted to put our country in debt for the People of the Republic of China, I would have probably asked them to build a sea bridge from Toco to Scarborough [*Desk thumping*] because they built a bridge that transports you 30 minutes for 34 miles at \$20 billion and it took seven years. I would want to be proud to say seven years from now, that I can go in 30 minutes to Tobago, because we are only 28 miles away. So, I would have really appreciated that if we wanted something from China—instead of NAPA and SAPA and a port and a Phoenix Park, another port—I really would have liked that and then I really think the tourism would have boosted in Tobago.

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

Sen. Anita Haynes: Thank you, Madam President, for acknowledging me, as I

join in this very important debate on the budget for fiscal 2019. This is the fourth budget of this Minister of Finance, and I think after four budgets we are still left wondering what it is their plan is really to develop this country.

Allow me, from the onset, to thank the Leader of the Opposition, who used her response in this budget debate to outline something this country desperately needs, a plan to take us forward. [*Desk thumping*] The majority of speakers from the Government side spent a lot of time looking backwards, perhaps, they prefer to live in 2015, which was their heyday, their election win, but the reason we have found ourselves in the situation we are in now is because they have no foresight, there is no plan and there is no future under this administration. [*Desk thumping*]

The vision of the Leader of the Opposition is one that grounds the United National Congress and our plans and policies firmly in the needs of the people. To facilitate this, we held hundreds of budget consultations, listening exercises, to fully understand the perspective that we needed to take in this debate. Because, as I have said, time and time again, people feel left out of the process, and we believe it is time to bring them back in and make sure that they are part of our process of governance and, as such, I would like to extend my sincerest gratitude to the people who left their homes and attended these consultations, and who gave honest feedback on what they are experiencing in Trinidad and Tobago today.

One of the key areas of concern, Madam President, was flooding and before I get into the substance of my debate, I would just like to share my thoughts and prayers with the persons in Trinidad and possibly Tobago who are currently experiencing the scourge of flooding, as we speak and as we continue this debate in the House today. And I throw my mind back to last year, which around this same time last year, the same areas were under floodwaters, and we had to give them the same

kind of—we heard the same assurances that they would be getting some kind of relief, and we heard a lot of excuses about dredging and what was happening, and I really hope that next year, when we come back for a budget in October, we are not telling the same people, “We are sorry that you are flooded out, but there was nothing that we could do”, because I think that is getting old for them right now.

But, Madam President, these budget consultations that we held were really an eye opener for me and, indeed, a lot of us, I am sure, because it confirmed what I suspected that the Government was feeding us political fiction. Because you see, Madam President, what is going on in the real world, the real experiences of Trinidadians and Tobagonians, the struggles that we endure every day, are the exact opposite of the pretty picture that the Government is trying to paint and sell us here today.

So I came in here today and I heard “Turnaround” and as predictable and as pedestrian that this narrative is, they seem to be very committed to telling us that there is a turnaround. The Minister in the Ministry of Finance spoke today about weathering the storm—that we have weathered the storm. Who is this “we”? The people lining up for regular gas, risking their vehicles because they have no other choice, take the chance? Are they part of this “we”? The several unemployed persons that approached us—[*Interruption*—yes, the thousands of unemployed persons who told us that they are worried about their families, their children? The university graduates who by all accounts did everything right and still cannot find a job? The gamut of qualified, technical overqualified, underqualified, you name it, people in this country are looking for work and they are looking for jobs? Are those the “we” who have weathered the storm? Because I really do not think so.

Imagine, Madam President, this is a Government that is shutting down the

oil refinery and came here in the budget to tell us that they have preserved jobs. I am not discussing the pros and cons right now of the shutting-down of the refinery, but I will say very early on, that I believe and we believe that you did the wrong thing at the wrong time, in the wrong way [*Desk thumping*] and the nation is seeing you for what you are which is arrogant and unyielding.

But my point, Madam President, is that as you preside over mass retrenchment and you have a chairman on TV talking about “all, all, all”, that you could come here and talk about job preservation is a little shameless. I thought they would do better than that, but that brings me to the overall theme of my contribution here today, that this Government is waging psychological warfare on the people of Trinidad and Tobago. It is psychological abuse.

There is a pattern, Madam President, and I will use examples from this budget and what they have put forward here today, but let me first put forward the overarching theory. We may all be familiar with Maslow’s hierarchy of needs often represented as a pyramid with five levels. It is a motivational theory that argues that people aim to meet basic needs and that they seek to meet successively higher needs in the form of a pyramid. So, the theory, as most people know it, will say that you have to fulfil your needs in a particular order.

Maslow initially stated that individuals must satisfy lower-level deficit needs before progressing on to meet higher-level growth needs. When the deficit need has been more or less satisfied, it will go away and activities become habitually directed towards meeting the needs that we have yet to satisfy. So where are we now as Trinidadians and Tobagonians? Madam President, like I said before, I have been to many consultations and you know what people are asking for? The basics, the lowest rung of the pyramid.

The Minister of Public Utilities spoke today, and when I was preparing my contribution, I had assumed that the Minister would speak after me, so I had anticipated excuses coming from his end, and oddly and now today, I happen to speak after him. He has confirmed that excuses are what we will get [*Desk thumping*] in the small section of his contribution that he left to public utilities.

The Minister did tell us that if he had the money, you know, he would fix everything, but he does not. But their *Vision 2030* progress report, which I think again, is a document that I am shocked that they were willing to produce and give out for public consumption, admitted that the pipe-borne water remained at its 2015 numbers, so that they have done nothing so far. No problem. But they go on to quote a remarkable quarter of a million people have a more reliable water service today, a statement that the Minister did not feel the need to raise here, because I do not believe that he believes it is true. So there is some kind of mamaguy going on in this *Vision 2030* report on progress because, what is the reality?

On Sunday I met one of my very friends for lunch, and she was telling me that in St. Ann's and Cascade, there has been no water for the last 10 weeks, a persistent and recurring problem. Now, the Minister of National Security came here today—and their Member of Parliament, consequently—and I do not know if he did not see their Facebook messages because I understand that they were trying to message him on Facebook and they have been trying, and despite clocking several Facebook hours that was evident by his speech here today, he could not see the complaints of his constituents. So, I am sure that they are watching him here today and aware of the fact that he has chosen to ignore their messages because he was trolling other pages. [*Laughter*]

So, I went to a pre-budget consultation in Moruga, water problems; Barrackpore, water problems; Arima, water problems. The Minister of Public Utilities says they have started meetings, we have had the meetings. I can tell you, they have problems. Right? And every section of Trinidad and Tobago is reporting water problems except for, perhaps, this one quarter or so of the population. The rest of us are suffering.

So, in painting the pictures with numbers that are vastly different from our lived experiences, the Government has in fact failed in their responsibility to provide a basic need that they ought to supply [*Desk thumping*] but they come here, speaker after speaker, to tell us about 2015. All right.

Food, another basic, not that you ought to provide this—so do not get up and say that I am saying that you have to give the population food—but your policies have made food prices progressively higher. And I go back to their *Vision 2030* progress report, and it is a very liberal use of the word “progress”, because they have reported very little progress. It just shows increasing numbers in diabetes mortality and an increasing obesity rate. And I would like to point the Senate to a study by the American Diabetes Association entitled “Poverty increases type 2 diabetes incidence and inequality of care despite universal health coverage”. I point us to that study because it says:

In Western economies, low-income populations have been found to be more likely to develop diabetes.

Now, again, their *Vision 2030* progress report has said that we have increased in this regard.

It speaks to:

A hazardous home environment, unhealthy behaviours, obesity, and stress...

There is a growing sentiment, Madam President, that despite whatever data the Government presents to create the story that they would like for us to believe, the middle class here is under attack, and the present policies, there will not be any middle class soon, and there will be very few rich and very many poor people in this country. And I took the diabetes and obesity numbers because more research could be telling us and giving us a more accurate representation of what is happening, that more and more people are slipping into poverty under their watch.

Imagine, we have a Prime Minister, Madam President, who cannot fathom a reality where agriculture is viable in Trinidad and Tobago. “Not enough land”, he says. Enough land for a hotel, but priorities, they may not be our priorities. I know the Parliamentary Secretary in the Ministry of Agriculture, Land and Fisheries came here to tell us all sorts of things, but he could not tell us how they are functioning as a Ministry, when the Prime Minister is so dismissive of the work that they trying to do.

So in 2018, we have a situation where our people still have to worry about water; still have to worry about food; still have to worry about shelter. Lowest levels of the pyramid, and that is where this Government has located us, and they have the audacity to boast about a turnaround when the majority of the citizens feel worse off today.

Now, if you have successfully managed these basics, you would meet the biggest hurdle facing all of us today, safety and security. Now, Madam President, I watched along with the rest of the country, a terrorized and frustrated prison service news conference—men and women who are committed to national service who felt betrayed and ignored by a nonchalant Government. Now, the Minister of National Security came here today to address concerns relating to the national

security apparatus in this country and the fear, the very real fear that citizens are facing, and what did he start with? Facebook and fake news. Right?

So, the Minister came here and used precious parliamentary time to tell me and the rest of us that he has spent a lot of time on Facebook and he knows “real thing going on there and we have to be very concerned.” I cannot accept that. I really cannot accept that. I wish to take the opportunity to remind this Government that the oldest and simplest justification for Government is as a protector. It is to protect [*Desk thumping*] its citizens from violence. [*Desk thumping*]

I understand that there is an emergency press conference to address the prison officers' lives occurring sometime next week. I do not know how they define emergency, but it was an emergency to come here today to tell us people trolling them on Facebook so they are upset, but the prison officers will wait. The Minister went on to say that he will be going to meet with bp. So prison officers, wait, relax; BP, we have to come and see you. All right.

Thomas Hobbes' *Leviathan* describes a world of unrelenting insecurity without a Government to provide the safety of law and order, protecting its citizens from each other and foreign force. This administration has failed and we find ourselves living in the Leviathan after an extended honeymoon period where they used all manner of excuses and the numbers and we will get a Commissioner of Police, et cetera. After all of that, the fact is nobody in this country is safer today.

As a matter of fact, Madam President, our university students have had to protest for their right to a safe environment, [*Desk thumping*] something that was ignored completely by the Minister of National Security. As far as he knows, that did not happen because it did not come across his Facebook feed. Right?

So after holding up the anti-gang legislation and saying this will have an

immediate impact, it will deal with it, empowering the SSA, both legislatively and financially and steadily increasing government power, with an increasingly fearful population and looking at the front pages of our newspapers—our very own lived experiences—they are telling us one thing, and despite—I think there was a headline with the Minister saying murders have gone down in September—I do not know what you are trying to do, because we live here and we know you do not have a clue, because you are too busy counting how many people came to work on the day of the shutdown and monitoring Facebook to see—*[Interruption]*—more than anything else, because you cannot deal—the fact is you cannot deal with the looming and daunting problem that is before us.

It would take a Government that is capable of listening then leading to fix the problems before us. It would take one that would be able to unite the people and inspire confidence, not one that threatens persons who are intent on exercising their democratic right. So, this PNM administration, led by this Prime Minister, has by their unimaginative and ineffective policies, kept all of us at the most basic level of the development. This means we are unable to be an aspirational society.

So, I could not come here today to discuss the finer points of economic policy or national security policy because our people are just trying to survive at this point. So nothing in this budget presentation or its three predecessors gets us past the first two rungs of Maslow's pyramid. It must be that the Government has seen some benefit in keeping us in this dependent state because they are, quite frankly, afraid of an empowered population.

I started off by saying that this Government is waging psychological warfare on the people of Trinidad and Tobago, and I want to just now look at the very theme of this budget. It is very simple. It was very simply put, "Turnaround". So

this brings me to my very next example of this psychological warfare. It is a term that has been around since the 1930s. It has gained more traction given the global political atmosphere, and it is called gaslighting. It is used to describe abusive behaviour in which specifically an abuser manipulates information in such a way to make the victim, in this case, the people of Trinidad and Tobago, question his or her sanity or their lived reality. Gaslighting intentionally makes someone doubt their memories or their perception of reality. With this definition in mind, let us look at this turnaround budget.

We saw the beginning since the mid-year review, and I would argue since 2015, where they come here and they spend the first part of everything talking about People's Partnership—this is what you all did, this is how much you all spent—and the Minister of Finance would usually set the stage and they would come one after the other—“this is what you have spent”—never telling us what they have done. Perhaps sometimes telling us what they are going to do, but never what they have done, because they have done very little. But they come one after the other and repeat the same thing to proclaim they have had no money, we have to tighten our belts.

So anytime the population says, well you are the Government, so you are supposed to fix our roads, improve our water supply, keep us safe—and the Minister of Public Utilities did this here today—we are told, “Look, we have no money”. Right? But the no-money story starts to fall apart, when you can tell us that you have no money to pay contractors for schools, but you are building Sandals. So, you see, your own theory is starting to fall apart a lil bit.

But if you want to see the truest example of the gaslighting, let us look at the four paragraphs devoted to education in this budget. You see, the first two pretend

that they did not oversee the cuts to GATE. So, let us break this down to the simplest form. You tell us you are committed to investing in people, but the reality is that you have presided over the cuts to tertiary education thereby creating barriers to entry for largely the middle class, soon to be known as the working poor. Right? But you try to gaslight us into thinking that we have imagined that, that did not happen. But my favourite one here, Madam President, is the laptops.

You see, the same people who went up and down this country—I think next to the Couva Children's Hospital, the laptops were the thing they hated the most. Right? Cut to today, they are very calmly introducing laptops into schools and telling us it will help with ICT. Well, we know that. We were doing it. You stopped the programme, [*Desk thumping*] but this is where the gaslighting takes place, Madam President. It is not the same laptops. You see, these laptops, you cannot move them out of the school. So, what we have is a Government that does not understand the difference between a laptop and a desktop and why they are designed differently. [*Desk thumping*] You see, the last line in their budget presentation says:

...thereby laying the platform for the full integration of our citizens into the new digital economy.

So now, we are all doubting ourselves. So you had laptops that you could take home. That is a waste of time. We will give you laptops that you could use for limited hours in a limited space—and that is full integration for our citizens? That is the most ridiculous logic that I have ever heard in my life, Madam President. [*Desk thumping*] It really has made me question your sanity. PNM logic is exceedingly flawed here.

Madam President, so we are awarding a total of \$7 billion and some change

to education and training, and going back to the first point on the first point on the hierarchy of needs, we still have to come here and fight over infrastructure buildings—call out names of schools that have not been opened—the most basic of things that the Government ought to get right. So we cannot come and discuss the curriculum. We cannot discuss the quality of education that our children are receiving, whether it is aligned to the jobs of the future. We cannot discuss things like psychometric testing for students and teaching according to their needs because this Government has not embarked on a policy that empowers teachers and enables an environment to create better citizens, because we are still arguing over paying contractors to open schools. So, at the end of the day, \$7 billion will be spent and we still have to ask: Are we better off for it? And the answer is probably going to be no.

So it took them four budgets, Madam President, to realize computers are required for the training of the next generation. Maybe next year they will realize it is important to continue learning at home, so they will allow the children to take the laptops home, but we do not know. One thing I know for sure is that they will try to convince us that all these things we know to be true did not really happen.

I turn now to health care, Madam President. On September 22nd—

Madam President: Sen. Haynes. Hon. Senators, at this juncture we will suspend the sitting and we will return at quarter to six, 5.45. Sen. Haynes, you have spoken for 23 minutes already.

5.15 p.m.: *Sitting suspended.*

5.45 p.m.: *Senate resumed.*

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

Sen. A. Haynes: Thank you, Madam President. Before the break I was on the

topic of gaslighting and getting to health care. On September 22, 2018, the Prime Minister said, even though citizens continue to bad-mouth the country's public hospitals, he believes that the nation has the best public health care system in the Commonwealth. Instinctively, Madam President, you must know that this statement cannot be true, but now you are second-guessing yourself because that is what gaslighting does. Why would the Prime Minister make such an outlandish statement, one that can so easily be proven false? I mean, quick research on some articles about the best health care in the world—I mean, surely if we are the best health care in the Commonwealth someone out there in this great global village would know about it. So I did a cursory search and all the usual articles came up and several of them had the United Kingdom, Canada, New Zealand, Australia, all ranking before Trinidad and Tobago. So I said, this cannot be right because why would the Prime Minister say something so preposterous, there must be some information somewhere out there that I missed.

So I go to the World Health Organization, I could not find one list that had us ranking in the top sixty, much less anywhere ranking higher than people in other countries in the Commonwealth. But those rankings aside, I said, perhaps the Prime Minister was talking about the lived experiences of people in Trinidad and Tobago. Maybe he spoke to some people and they said, hey, this is the best. So when you go into public health care institutions do you feel like you are experiencing quality state-of-the-art care? I know the Minister in the Ministry of Finance repeated that we are at least somewhat there, but my experience, and the experience from the persons in the budget consultations that I referenced before spoke about long waiting hours, rundown facilities, and an overburdened and under-appreciated staff. You see the budget consultations had so many people

talking about suffering and waiting for care. I think there was an article recently of a person who died waiting for health care in St. James. So you have these stories but you have this statement from the Prime Minister, and then they will try to deny that they are gaslighting the population.

You see, my own grandmother went into the clinic at San Fernando General Hospital to be treated for high blood pressure, and somewhere in-between this she left there with medication for kidney failure, something she never had, and we caught it before there was any damage, but not everyone could be so lucky. So what I am saying is, do not come here and tell us that we have the best health care in the Commonwealth, do the work to fix the health care system. If that is what—you can do the work, you do not have to just pretend and make these unbelievable statements and expect the population to live with that. [*Desk thumping*] So I cannot come here, yet again, and debate the merits or drawbacks of their health care policy or their overall health care plan because they do not have one. What they have are outlandish statements. They will come to talk about reducing expenditure on buildings but they will not say that they reduced the scope of works, and that is why you saw the expenditure coming down. So you see, Madam President, the totality of their failure as a Government means that we cannot and we do not have the space to discuss that which is strategic or forward thinking because the Government has kept the vast majority of us stuck at base level.

This brings me to roads. On the heels of the Prime Minister, you have the Minister of Finance entering the competition to see who could say the most outlandish thing. So in a discussion about roads, because every year we have the same problem and the same discussion because it seems to be impossible to institute a road repair and maintenance plan; that seems to be an impossible task.

So we have the Minister of Finance saying that millions have been spent on roads in rural areas, and more than what is spent in urban areas; I live in a rural community, is the Minister suggesting that we are imagining these potholes? That they do not exist? Whether or not you are spending the money it is not the question, the people are telling you that there is a problem, you cannot now tell us that the problem does not exist because you spent some money. Whether or not you allocated the money did not mean that the roads were fixed. So everybody in this country is mad people, except for the people who wear balisier ties, because that is the only way they could be going? Yes, a little humility would go a long way. [*Desk thumping*]

Maybe an explanation of what was fixed versus what you plan to fix and how you plan to maintain it; that is just it. Not that, we give “all yuh” the money, millions went by “all yuh”, what more “all yuh” want, because the people of Garth Road can tell you, I can tell you, did not see the benefits of the millions of dollars. I read that people of Moruga plan on naming, you know, “Sinanan Drive” and “Imbert Avenue” because the roads are so bad and they are telling these people that is in their imagination, the road good, we spent money by “all yuh”, the road is good. This is madness, Madam President. You see the gaslighting technique feeds into a wider communication strategy on how you deal with informing the public. A lot of our problems can be addressed and fixed with work, proper governance, and basically what you need is people who are ready to work to take Trinidad and Tobago forward, and it cannot be this Government because they have had three years to do the work and they have given us three years of excuses, and they have tried to convince us of an alternate reality. They are trying to convince us of this “Turnaround” that we all know to be false. [*Desk thumping*] We, Madam

President, are under strain as a population, and they are right, things are quite different from 2015 because none of us feel better off now.

So I turn to this question of the gas subsidy, because I want to assume that the Minister of Finance, and, if not him, the Government of which he is a part must deeply regret the, “they have not rioted yet”, comment. And if he does not regret it, he should at least regret that it was on tape because we will always remember that he said that. But this is another gem of a justification coming out of the budget, the Minister said that it would be persons on the lowest rung of the income bracket that stand to benefit from the money to be saved in 2019 from the Government’s decision to raise the price of super gasoline—that the lowest rung of society stands to benefit. I do not know who the Minister knows from the lowest rung of the income bracket, but I can assure him no one was celebrating the increase in gas prices. [*Desk thumping*] You see, because the food cards that they promised and the grants are worth less now because the cost of living is higher. And so to tell us that, we saved some money here but we are giving it back to “all yuh” here, is to give us with one hand and grab it away with the next hand, and then tell us, but it is for you. Gaslighting, Madam President.

So you know who is also really feeling the pinch of this increase, this removal of the fuel subsidy and the increase in the price of super gas, the middle class. You see, by the end of this Government’s time in office the middle class would have to be referred to as the working poor, because you earn enough money not to be able to access these grants, et cetera, that they are now promising you, the means test will show that you ought to be able to pay to send your children to university, but the reality is that the policies of this Government have made it extremely hard for the hard-working honest people of this country. People who are

your teachers, your nurses, your police officers, your prison officers, your public servants, the people who go to work day by day, they are not asking the Government for anything, they are not asking you to give us more than we are owed as part of your social contract. We pay our taxes, we send our children to school, we stay out of trouble, and I ask them, what is in this budget for you? You see, whatever little you are surviving on or you were surviving on before is becoming incrementally smaller.

The burden of this Government's political fiction has fallen on the middle class, squarely on the shoulders of the middle class. People who are trying their best to be good citizens, those are the ones who are unduly burdened, and they come here time and time again to tell us about patriotism and who is a patriot and we have to ask now, is this paying off? These measures that they have put in place, are you safer now? For all their talk, are people of this country safer now? Do you feel secure in your job? If you have recently graduated, or, as is the status quo now, recently got terminated, do you feel like you could get another job shortly? Do you genuinely believe the economy has improved? Are you confident enough to open a business? Has your purchasing power increased? Are you getting better health care? Are your children better educated? Have they even fixed and maintain your roads or improved your drainage? The answer to most of these for most of the people is, no. And so at the end of the day we are able to ask ourselves, as a result of the policies put in place by this PNM administration, has it been put in place to create a robust and thriving middle class that will drive our country forward? And they will tell us, Madam President, they will come here with all sorts of numbers and figures to convince us that the things we know to be true do not exist.

Madam President, I turn quickly to Petrotrin, and the Minister of Public Utilities had an African proverb and I have one for him, you see “the axe forgets what the tree remembers”, and this population witnessed a government that was an “axe man” in Petrotrin and the tree—

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

Sen. A. Haynes:—thank you—and the tree will remember, Madam President. [*Desk thumping*] You see, the sheer arrogance of this administration that has left thousands of people dangling, going on and about, about whether or not their jobs are safe, to know all, all, all is the answer, to have a Minister of Communications come here and tell us that it was communicated effectively, despite us telling them, witnessing, living through two months of a communications train wreck on a major public policy decision, and to tell us that what we know to be true did not exist, Madam President, the tree will remember. And then we look at while people are collecting their letters of retrenchment, they are advertising new positions, they feel okay with that; they are advertising positions for management, Madam President. So I took a look at some of the positions advertised and I want to tell the Government, if you plan on bringing the same management you will have the same problems, the same top-heavy approach, the same nepotism and the same cronyism. So this is what the nation goes through every time we elect a PNM Government, same old mismanagement, same old problems. [*Desk thumping*]

What Petrotrin has showed us is that this Government has a willingness to ignore the fact that they created a problem and come here to pretend to be the saviour, and that in and of itself is psychological abuse, because you are creating the problem and telling us you are the solution. You cannot be the solution to a problem you created. It is very clear to the population now that you are the

problem. So, Madam President, what do we have over the past three years? We have witnessed a crisis in leadership. We have witnessed a government that has never sought to tell us what they would do to take our country forward. We have witnessed an administration comfortable with pursuing their blame game while the country imploded around them. We have witnessed the worst period of governance in our country's history. We have witnessed movements towards tyranny where fear is used to keep people from exercising their democratic right. I would like to quote here, Madam President, from Lennie Niblett, *Massa Day Done*, and it speaks to a participation crisis which can be defined as a conflict that occurs when the governing elite views the demands or behaviour of individuals and groups seeking to participate in the political system as illegitimate. You see, what he was talking about is a governing elite that tries to grow its power while stifling the power of the people of Trinidad and Tobago. Their legislative approach, their tax increases, the Government is seeking to build itself up while stifling the rest of us.

They want to hold the reins of power, Madam President, but they do not want to be responsible for the crisis that they have created. [*Desk thumping*] Trinidad and Tobago is at a very important crossroad. We in the Opposition took a strategic decision that our political leader will use her budget response not to “lick down” the Government but to articulate plans and policies to take our country forward. That is because our country deserves better. [*Desk thumping*] For three years we have heard this Government vilify workers, placed the blame on us; placed the blame on all manner of people for the state that we are in. They like to tell us the PNM is a premier political institution and they have been in existence for long, and that they have held the rein of power for long, so logic will dictate that much of what is happening here today is a result of your chronic

mismanagement. [*Desk thumping*] Our country and our people deserve better so we will continue to roll out our plans and policies. We will continue to invite anyone truly interested in national development to come forward and help us rebuild our sweet T&T, [*Desk thumping*] because gone are the days that you should just vote someone out, because we are sure that you will be voted out, but we are also giving everyone an opportunity to vote us in because we will show you that we have what it takes to take our country forward. Thank you. [*Desk thumping*]

Madam President: The Minister of Trade and Industry. [*Desk thumping*]

The Minister of Trade and Industry (Sen. The Hon. Paula Gopee-Scoon): Thank you very much, Madam President. I am always happy to speak on the budget debate. I spoke already in the Lower House so it would be a little difficult, but I will speak less of some things and more of some things, and hopefully all told, we will come out with what the Ministry of Trade and Industry is doing. Before I start, let me just do a bit of correction before going forward, Sen. Mark—and I am not going to take the time, I know the Minister in the Ministry of Finance will deal with you, but I know today you are wearing your trade unionism hat, without a doubt, but I want to tell you two things, there is no such thing as flat growth, that I will always remember you for that. And the second thing is, you spoke about transfer pricing and you were making reference to companies like bpTT, and so on; it is all right for us to come in here and speak ourselves, but when you speak about the reputation about private sector companies that are investing millions and millions, and millions, billions in a country you have to be careful and you have to act responsibly. So you spoke about transfer pricing and making reference to companies like bpTT, and I want to set the record straight that the

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issue has nothing to do with tax evasion or collection of back taxes, nothing at all like that, but rather the issues are contractual issues. They are not tax issues. I just wanted to correct you on that.

Sen. Haynes, you spoke about a lot of things, and my colleagues will correct you, but certainly the question of our country deserves better, yes, Trinidad and Tobago deserves better, and this is why it is in the safe hands of the PNM [*Desk thumping*] under the astute leadership of Dr. Rowley. And you were talking about, “we will always remember”, we will always remember the poor leadership under your last Government. The question of a National Security Council that did not function, there was absolutely no leadership, and your Government never listened to the population and this is why you are where you are, and this is why you will continue to stay where you are. [*Desk thumping*] You invited persons on a membership campaign and I would say, the PNM is open and we welcome all, and you may think about it. You talked about the basics, you talked about the basics, Sen. Haynes. Obviously you did not listen or maybe you did not read, or you did not take advice, but it was there for all to see in the budget. The basics, Sen. Haynes:

- 24/7 opening hours for remote health centres; [*Desk thumping*]
- an increase in the value of food support;
- implementation of a new debit card system for the food support programme;
- an increase in the disability grant;
- disabled and special needs children will now receive a monthly grant of \$1,500; recipients 18 years and older, a monthly grant of \$2,000;
- an increase by \$150 in public assistance grant;

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- a more efficient delivery of pensionable services to retirees;

I have to keep reminding you.

- a more efficient delivery of pensionable services to public service retirees;
- an increase in the cap on joint incomes received by retirees in respect of national insurance and old age pensions to \$6,000;

You obviously did not listen. You obviously did not read.

- an increase in tax allowance for tertiary education expenses from \$60,000 to \$72,000.

How basic can you get, Sen. Haynes? Let me just remind you that this country has seen the lowest inflation rate of 1 per cent in decades. [*Desk thumping*]

Madam President, let me start by, again, where I started in the Lower House, in saying that this Government has demonstrated prudence and decisiveness under the astute leadership of the hon. Dr. Keith Christopher Rowley, [*Desk thumping*] our Prime Minister, and we as a Government we have continued to work on rebuilding our country and the economy and restoring confidence while exhibiting equity and social justice. I will also take the opportunity to thank the hon. Minister of Finance for his work in rebuilding our economy. I will also thank the members of staff in the Ministry of Finance for the work done in the budget preparation. I also thank Sen. The Hon. Allyson West for her contribution in the budget as well, [*Desk thumping*] and her excellent delivery today. I will go further and also thank the hon. Minister of Planning and Development, hon. Camille Robinson-Regis, and I will tell you why all of our budget presentations, we come to you year after year, year after year, but this is contextualized actually in our National Development Strategy 2016—2030, *Vision 2030*, and we come to you budget after budget and

this is all because we are working towards our objectives of attaining all of our Sustainable Development Goals.

Madam President, much to the dismay of all of those on the other side, we have turned around this economy. In keeping with our *Vision 2030* agenda the Government remains steadfast in the pursuit of sound macroeconomic policies and fiscal policies strategies to take this country forward towards economic growth and of course a comfortable standard of living for all. I want to go straight into the Ministry of Trade and Industry's work, and I start by speaking of trade performance and exports. The Opposition does not like the facts at all but the facts are as they are. So I go to the CSO figures on exports, energy and non-energy exports, and I am pleased that the total exports increased by 21 per cent from 50 billion in 2016 to 62 billion in 2017. [*Desk thumping*] The total imports, on the other hand, reduced by 12 per cent from 53 billion to 46 billion, making for an overall trade surplus. That is something to be recognized. When we look at non-energy exports, the exports grew by 25 per cent from \$12 billion in 2016 to \$16 billion, as I said, a 25 per cent increase.

Non-energy imports, however, it is not where we want it and therefore we still have a trade deficit in terms of non-energy trade. However, it is important to note that the energy imports reduced from 39 billion to 35 billion registering a 10 per cent decrease, and that is heartening. But I have gone further to look at my TTBizLink figures to see how the figures are looking for January to September, 2018, compared with that of the previous year, and again registering significant increases in our non-energy exports in several major export markets. We looked at all of those, good news. We looked at where the growth is, what countries we are exporting to, and certainly our larger trading markets we are seeing the increase in

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exports, for instance, and I am talking overall exports—sorry, I am talking non-energy exports in this case. In the case of the United States, a 43 per cent, this is comparing January to September, 2018; with the same period in 2017, a 43 per cent increase in exports to the United States; to Caricom, a 5 per cent increase in exports; to Costa Rica, a 34 per cent increase in exports, and to Colombia, a 2 per cent increase; Canada, a 6 per cent increase. Again, all these figures are looking better and better, and we are doing the work and we will continue to do the work to accelerate movement of goods and services into these export markets, but going beyond the traditional ones to the other ones that are absolutely necessary if it is we are to achieve growth and increase our revenue streams. That is all it has to be about, increasing our revenue streams, and, by extension, earning foreign exchange and increasing job opportunities.

I made the point though that—I know that Sen. Avinash Singh was a little bit hesitant about the comments about buying local, and so on, I still want to make the point that as a country we are still a little bit too dependent on foreign goods. We really have to appreciate the things that are made locally, and I want to say in that vein, we proudly support and we are doing so by making a contribution to the TTMA's campaign, supporting all things proudly made in Trinidad and Tobago. I just want at this point to speak to one statement which was made by Sen. Shrikissoo when he expressed concern about the reduction under services in trade and repairs, and I sought to find out what really was encapsulated under trade and repairs, and largely it would have referred to wholesale and retail trade, including motor vehicle sales, motor vehicle repairs, and so on. So that has substantially reduced, and we are not displeased about that, so it is not something to be alarmed about.

So we continue the good work in the Ministry and through several of its agencies to increase our exports. And how is that done and through what mechanisms? And, Madam President, it is through the work of the exporTT in one instance. Again, so one of the main things that exporTT does is facilitate trade missions, and the Ministry of Trade and Industry in itself actually supports the trade mission strategy as well. So there are several missions that would have been made during the fiscal year and the focus is, again, away from the traditional markets so we are starting to look at the extra-Caribbean territories, and by that I mean the extended Caribbean territories, like Cuba, Dominican Republic, Haiti, and then looking further beyond that, looking at Central America and South America as well. So we would have had missions going into last year, Costa Rica, Panama, Jamaica, Guyana, Colombia, Dominican Republic, and Haiti as well, but Haiti again to be done, and Canada, and also Cuba. Madam President, we are seeing the results, we are seeing the entry of goods increased, entry of goods into Cuba, into Guyana, but I do not want to spend too much more time on that. But the work of exporTT is paramount in terms of increasing our revenue streams from the exports of goods primarily.

Again, if we have to have a sustainable and a diversified export sector, the work of exporTT is very, very important, and so they continue doing their range of services in terms of co-financing, export promotion, trade missions, research, capacity building and training, and so on, and providing certificates of origin. The Opposition would have wanted to say, would have asked the question, what have they done in the last year. And let me just briefly say, for instance, in fiscal 2018, with regard to co-financing, some 22 companies would have benefited from co-financing disbursements. With regard to research, four market surveys would have

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been done on Costa Rica, Colombia, Haiti and Canada, guiding us as to whether those markets are suitable and whether it makes sense going into them. They would have worked on capacity building and training. There were 25 export-related training programmes during the last fiscal year in which 581 individuals were trained from 226 firms; small, medium and large firms.

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Madam President, in addition to that, 25 persons were qualified as International Trade Specialists under the eBSI Export Academy initiative, with the understanding those persons are then going back to their private sector companies and having a greater understanding of exports, export markets and how you get your goods out there. They would have also done information dissemination seminars as well. They would have done export support plans for 22 companies, and that is identifying gaps and shortfalls in their exports again, and then of course several firms would have commenced implementation of international standards like HACCP and UN standards and so on, organic certification. Without those you cannot enter in the respective markets.

Further to that will be the business that is absolutely necessary, the business of trade agreements, and that is the work of the Ministry of Trade and Industry. So we would have continued work on the Panama Partial Scope Agreement. The first meeting of the Joint Administration Commission with the Government of Panama will be held in 2018. We are now implementing that agreement. It is one thing to sign agreements, we are implementing that. We are also working on the Partial Scope Agreement of Chile. Both countries have agreed, after our working group sessions, to move on and progress to the stage of negotiating, and that is going to do us very well, Chile being a very substantial market.

We are also reviewing the Partial Scope Agreements of Guatemala and El Salvador. There are also some other potential countries that we would want to pursue Partial Scope Agreements with. We are looking also at Curaçao. We have been asked by the Government of Curaçao; we are examining the basis of that. We are also looking at perhaps Brazil. We have to look at those markets as we seek to find markets where our goods would be preferred, I have to say, or would be attractive.

Another agreement that we have to give attention to, and that we are doing, is in fact the Caribbean Basin Initiative. As you know, Madam President, the US is our largest trading partner, and most of the goods that we export are actually governed under this Caribbean Basin Initiative which comprises of two programmes, the Caribbean Basin Economy Recovery Act and the Caribbean Basin Trade Partnership Act. I will tell you what, the importance of these things. Again, because of the importance of the market to Trinidad and Tobago, but it is that under one of them the CBERA, duty free entry to the USA is extended on a permanent basis for a particular range of goods. So that is important. It is a one-way advantage.

With regard to the other agreement, the CBTPA, it is that these other products enter under tariff preferences. So in some cases it is totally duty free and in some cases there is a tariff preference. So it is very important to us, and they will expire, one in 2019 and 2020, and I want to give the country and the businesses out there that export to those markets, the assurance that we are in fact working on these arrangements. We have been having discussions with the US trade representative on these two matters, and the whole process has begun. I give the assurance again of these agreements being renewed.

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As I said before, very, very important agreements, especially for the export of our ammonia, our LNG, our methanol, our urea. But only for those energy products, but also for products from Angostura, from K.C. Confectionery, from Trinidad Cement, Matouks, Electrical Industries Group, and so on. But it is the work of the Ministry and we will ensure that these two agreements are in fact renewed.

There are a lot of other measures, and I am not going into too much detail on those, that support the increased export of goods. Certainly the Research and Development Fund which we launched last year and which is doing well. Three firms have already benefited from it. This is again aimed to support and stimulate investment in new and advanced technology, and so on. We want to ensure that countries take advantage of this kind of support so that they can develop new products, innovative products, new processes, systems, services, et cetera, which will distinguish our products based on quality.

There is also the Grant Fund facility. I have spoken about this before, and I do not think I need to go into it again. But certainly largely SMEs, small and medium sized businesses, in the area of light manufacturing and in the area of agro-processing have begun to benefit from this grant for the purchase of machinery and equipment, and this is geared to particular areas, cocoa, coffee, chocolate processing, local beverages, wood, furniture, and so on. Two companies have benefited, but there are six in the pipeline, and we want companies to approach us to benefit from this Grant Fund facility.

I hasten, Madam President, because there are other things I want to speak about that I did not get a chance to speak of when I was in the Lower House. One of the things is our new trade policy which will guide the work of the Ministry

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from 2018 to 2022. I spoke about it and I had hoped by now it would have been completed. It is not, but the work has begun. It is being done by ECLAC, the Economic Commission for Latin America and the Caribbean. Substantial work has begun in terms of discussions with stakeholders, some surveys are ongoing, and we have had some discussion in the Ministry as well. I have seen a little bit of a first draft but, I mean, there is much more work to be done on it, but I will tell you why.

This thing is instrumental. Again, we know that the energy sector will play a significant role in our economy for years to come. It is our natural resource and it will continue, but we cannot continue to rely on the energy sector alone. Therefore, we would have made some advances this year, certainly in our increased activity in the manufacturing sector, but we have got to focus and continue the work to ensure that we have these increased revenue streams from other areas in the economy, but in this case in terms of the country's exports and so on.

So, largely, this policy will be aimed at enhancing and diversifying the country's economy and also enhancing and diversifying the country's exports—and certainly it is extra—its earnings of foreign exchange and, of course, the overall revenue. Again, the objective is to transform our exports to ensure that the country produces high value goods and services where global demand is growing. I will tell you why this is so important.

We have to look at the future of our goods trade, and therefore in doing so we have to look at the goods that we produce. Yes the quality, but can we depend solely on the old goods that we are producing, that is, the goods that we have been producing for the last five years and 10 years? I am telling you that if we have to

Sen. The Hon. P. Gopee Scoon (cont'd)

have any growth at all, and manufacturers and business people ought to hear this, we have to move away from the old products. Well, I mean, we continue doing some of them if it is that they can find suitable markets, but we certainly have to look at the development of new products. Therefore, when we speak of diversification we have to speak of diversification in terms of our exports into new product areas. We also have to speak to diversification into new markets. So, as I said, it cannot be the same old. It has to be about new products—yes, new products—maintaining the old markets, but we have got to look at new markets as well.

The whole question, I can tell you, in the new trade policy, the question of trade complementarity, will be addressed. And yes we can talk about the fact that there are 60 destination markets for all our goods and so on, but again if we are talking about increased revenue streams and increased exports and increased foreign exchange earnings, we have got to go beyond that. We have to take our goods beyond the USA, beyond the Caricom countries. What is still disappointing, as I said, we are doing the work, but only 5 per cent of our goods go into the Latin American market, and that has to grow, hence the reason for the discussion on trade complementarity which will be highlighted. We want to know what all of those new trading partners will require of us. What kind of goods they are importing elsewhere that we could possibly import. That is the kind of work that is going on now, so we will know what the opportunities are; which products we produce and for which markets. That is the study, and we will be able to speak to—and therefore when we actually finish with this policy and it is out in the public arena, we will be going into detail about what products, what markets, what new products. Then we will invite the private sector to really think of the

opportunities that are there.

Again, I think I have spoken about the new markets, new goods and so on. The other thing is we have to also ensure that we will remain competitive. Paying attention yes, new products, new markets, paying attention to pricing, paying attention to quality as well. That is where, again, a lot of our other support mechanisms come into place. Again, I am talking about our Grant Fund facility and so on. I am talking about our foreign exchange facility at the Exim Bank, support for manufacturers.

I am not going into much detail on it, but another idea or another point that would be developed in our trade policy is the whole question of global value chains. Again, we have to look at it, because expansion in global production and trade is important, but again the fragmentation in production processes presents opportunities as well for production and for participating in different segments of the actual output product. Therefore, we have to begin to look at that as well; not only producing the final product, but the segmentation and producing, being a part of the process, and all of those present opportunities. As a government we have to look at what we are thinking of calling the “regionalization of production” and what our part is, what perhaps the responsibility of another country is as well, and that would allow us some participation in this whole global value chain. Very important, but if we are thinking about growing our exports, trade complementarity, global value chains is where our thinking has to be. I will be very pleased to begin to expound on those things later in the year when the policy is finalized.

So we talk about growing our goods exports, but something that we do not talk about enough is growing our services exports. It is that the services sector has

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tremendous potential to contribute positively to the growth and sustainable development of the economy. Why? Because the services industry is labour intensive, and growth in services can therefore provide many more employment opportunities. Whilst services contribute I think close to 60 per cent of our GDP, export services is just about 10 per cent. It is rather miniscule, and this suggest that much of the services which are produced in our country is really for domestic consumption rather than for export, and we are really failing to capitalize on the opportunities that are there to export our key services. I mean, talking about a myriad of services including energy and so on. So, again, looking globally, the trade in services has really increased and is growing rapidly, and my research tells me that it is growing faster than the trade in goods. So we have got to be serious about it and we have to look at that as well. So much so, that going forward in all of the international agreements that we are working on, the whole export services component and the export of services has to be an integral part of it.

Globally, those industries that have been growing, like accounting and management consulting—and these are real opportunities for persons who are engaged in these areas: public relations, research and development, travel, transportation. Those are the real areas of growth globally. So, we do have the opportunity and we do have the potential, we are an educated population. We do have the potential to benefit from this area, and therefore it is that I think we must embark on an aggressive agenda of building the export capability of the services subsectors. When I say so, the services subsectors, I am talking about the financial services, the maritime services, tourism services, the creative industry services, education services—*[Interruption]*

Sen. Roach: May I ask a question?

Sen. The Hon. P. Gopee Scoon (cont'd)

Sen. The Hon. P. Gopee-Scoon: Yes, sure.

Sen. Roach: As you speak about exporting services, and you touched on exactly where I was going, we have a very educated cadre of our population, so to speak. We have a situation where we have a lot of doctors who are not employed. Is there some way that that could be also exported as part of the exporting of services?

Sen. The Hon. P. Gopee-Scoon: Certainly it is an area of export as well. Export of the health care services. Also, it is an area of earning of revenue for us here. Even with the Couva Hospital which is going to be renamed as—what is known as the Couva Hospital as well will in fact be the export of health services. That is something that we have actually decided on that particular institution. So yes health services, our doctors can in fact export their services.

When we talk about maritime services and so on, we are in fact doing it. When we embark on the ship repair and dry docking, we are developing the services sector. When we speak to Sandals we are developing the tourism services sector. That is what counts to the GDP, but we have to speak about exporting our energy services sector as well. So all of those doctors, yes their services can in fact be exported as well.

Yachting, we talk about the yachting services as well. The entry of yachts to Trinidad and Tobago has increased by 25 per cent. We are in fact developing the yachting services sector as well. The creative industries, again the development of the services sector as well. But we have to look beyond that. Beyond the local consumption to what we can export. I think the one that really comes to us easily is the energy sector in terms of the cadre that we have built up over the years. No doubt about it, we will have to be concerned about the kinds of agreements we make with countries, relative to taxation. Those are things we have to sit and work

out with regard to that again.

But the point about it is we have started doing the work. It means that we have to work closer with the Trinidad and Tobago Coalition of Services. I have not seen the synergy in the relationship as yet, but we have to ensure that we begin to work to the country's advantage. This is a sector which is so important, yet still it is badly regulated. So we have to work on even that aspect of the services sector as well. In the Ministry, we have developed a draft services policy. However, I have kept it back because I want it to sit well within the new trade policy.

I want to just speak to the question of diversification, because the Opposition speaks to that quite a bit. I am going to skate through it though, because there are other things I want to talk about. Again, we talked about the manufacturing sector. We are pleased about the growth in the manufacturing sector. You go to page 80, it details everything—there has been an overall 7.3 per cent, but certainly in food, beverages and tobacco products growth by 5.62 per cent. We are pleased about that, and in terms of petroleum and chemical products growth of 9 per cent, and that I believe is on account of natural gas availability. We are very pleased about that as well.

But the sector is one that is mature, and that can continue to grow. I mean, it has already been responsible for 60,000 jobs, and indirect jobs perhaps another 60,000. So it is very, very important that we work to improve the sector, and give the support to the manufacturing sector. We are listening to them and hence the reason we have done that new product, which is the incremental foreign exchange facility.

We are seeing the areas of growth in the manufacturing sector in terms of our exports: the manufacture of bakery products increased by 13 per cent; the

Sen. The Hon. P. Gopee Scoon (cont'd)

export of malt, liquors and malts, soft drinks, et cetera, a 20 per cent increase; chemicals and chemical products, 11 per cent increase and so on. So it is there, but again this is a sector that has to be little more robust, and it also has to be globally competitive. It has to be a little bit more innovative. As I said before, we are looking for new products that we can take to new markets; products that our partners are importing from other countries, and that perhaps we can do here. I mean, we are looking for products that would utilize technologies and environmentally sound practices.

So we are going to continue to work with the manufacturing sector, building it out, listening to the manufacturers. I am pleased that we were able in this last budget to announce the incremental foreign exchange earnings tax credit. I think it will go a long way in supporting manufacturers. It will be implemented in fiscal 2019, and again it is based on incremental exports only. There is legislation to be put in. I can give this honourable House the guarantee that this would be done “soonest”, to the advantage of the manufacturers.

With regard to, again—I spoke all this in the Lower House but it is worth mentioning again—the new economic spaces, very, very important. The new project which we are doing, and Sen. Ramkissoon spoke to it, the Phoenix Park Industrial Estate, which really will buffer all of the other work that is being done in the southern region in particular. This is an exciting project and it will provide the space for the extension and the growth of the manufacturing sector.

I need to, again, coming back to the new products, looking beyond the food and beverage that we seem to be comfortable doing, but looking at more of a space that will encourage more industrialized products, if you could call it that. It is almost like I think we are looking at a new wave of industrialization. This

Sen. The Hon. P. Gopee Scoon (cont'd)

Government has always come up with the right things that you need to do at the right time in terms of the configuration of an economy. Therefore, when we thought about doing this Phoenix Park Industrial Estate and we started negotiating with the Chinese who are going to do it, the Beijing Construction Group, alongside the main agreement we sought to enter an agreement with them. It has not been concretized as yet, but this should bring 10 Chinese firms into the Park. Again, it is because we want to introduce another level of manufacturing, and in this case there has been some interest in glass powder manufacturing and paper converting, wood processing and integrated housing manufacturing. We have to look at new products that the global market requires.

Madam President: Minister, you have five more minutes.

Sen. The Hon. P. Gopee-Scoon: So this is a very, very important project for us, also the Moruga Agro-Processing and Light Industrial Park, again which adds another dimension to diversify products being developed, because we are talking now about agro processing. So we are looking for the kinds of value-added products that you can get from cassava, and fish, pineapple, fruits and cocoa and so on. Again, when we talk about development of the aluminium industry, which we started in 2009, it is another wave of products. Yes we do some activity in aluminium, but we are talking about some roof sheeting and pipes and so on. We have to go beyond that, and hence the reason we are getting into these new aluminium products, and that is going to be quite an exciting project.

Madam President, let me just say that one of the areas that we are going to pay continued attention, and I think the Government has done very well is in fact the maritime industry—we have spoken at length about that—the growth in the yachting sector. Again, we are going to pay a lot of attention to creative industries

Sen. The Hon. P. Gopee Scoon (cont'd)

which have been doing well but which we know can grow, because the world market is quite extensive.

So we are going to pay attention to the music industry, which we have been doing through the Live Music District Programme, through the Artist Development Programme, through the music technology platform and through the Music Export Academy. Again, the fashion industry as well, extensive job creation. Our bespoke tailoring industry has been very successful. Our Fashion Value Chain Investment Programme, again a great success and we are going to continue this in 2018, another hybrid version of it. Again, through all of these fashion sector programmes, four of them in all, a number of persons were trained last year, 90 persons, and we will have this increase.

Again, in the film sector, we are going to continue to promote film, but I think this year we have some exciting projects in terms of promoting Trinidad and Tobago as a destination for making films, as well as improving the ease of business within the film industry. Again, spending some time on film festival partnerships and stakeholder engagement, and also, again, utilizing our film rebate programme to attract both local and foreign film as well.

We are working on improving the business environment, and I am going to speak more to that when I get the opportunity in Parliament, but much work is being done on the extended Single Electronic Window project. There are many gains to be got from this extension, including the business process, reengineering and other business reform achievements as well.

We are working on a national quality policy as well, to improve the types of products that we produce, and to ensure that they are in fact competitive. Madam President, our investments by our local businesses continue to be important for the

Sen. The Hon. P. Gopee Scoon (cont'd)

growth of the economy. We are very pleased with our dynamic private sector, but we want the private sector to understand the central role which they too have to play in achieving sustained economic growth and poverty reduction. So the Government will continue to have dialogue with the private sector, again to open up real possibilities, again for fashion, in the kinds of policy prescriptions that are absolutely necessary if we are to be serious about economic growth.

Again, we will continue the policy framework, but we want the private sector to be involved, and we are going to be very, very focused on that engagement, ensuring that we work together to discover the goods and services that are really needed in the world market, and that we can produce in Trinidad and Tobago at a sufficiently low cost, Madam President, and take to the wider Caribbean, South and Central America, and so on.

Madam President, with those few words, I want to thank you and give the assurance that the work of the Ministry of Trade and Industry will continue to assist in the development of the local economy. Thank you.

Sen. Stephen Creese: Thank you, Madam President. Before I give my substantive contribution, there were some issues which were raised by the Minister of National Security—he is not with us, but I will still want to at least put it on the record.

He had indicated that the lifeguards are now under the Ministry of National Security. I remember when they were under the municipal corporations, local government system, and there were concerns at that time that the local politicians might have been interested in viring funds, that essentially were intended for the lifeguard service, to place in other aspects of the corporations. So there was a move afoot, which succeeded, to place the lifeguards back under Tourism. Now I

hear they are under National Security. So I was wondering what is the rationale for the movement to National Security. So if anyone could shed light on that, now or later on in the debate, I would appreciate that.

I also noticed his announcement that Government is prepared to allow prison officers to keep and carry service firearms, and I have a concern. I appreciate the stress that prison officers are under, and this goes way back. I was familiar with the then Commissioner of Prisons who was assassinated, Mr. Hercules, but at that time I was employed at the Office of the Ombudsman, and part of my schedule was taking complaints from prisoners as well as from people against the police, because there was no Police Complaints Authority back then. So I am aware of the state of the prisons in terms of the preponderance of violence, that institution being officially the place where corporal punishment and capital punishment is executed. Given who the normal residents are in fact, the fact of the matter is that the prison officer comes under the general psychology, sociology of the place. Therefore, I often wondered, when they leave there at the end of the day whether they are able, when they take off their uniforms, to discharge the kind of persona that is involved in running, in managing the prison system as we know it.

6.45 p.m.

So that is why if there is a move afoot to allow them, for their own protection admittedly, to take their firearms home, I am concerned that measures are instituted that would ensure that the psychological fitness of any individual to keep and carry that firearm is appropriately provided for, by way of tests, you know, the appropriate tests that can be carried out. So that—and I am thinking of an incident involving some other armed state personnel that may have occurred somewhere in Grand Bazaar as one of the outcomes that we would not like to see

happen.

But as we speak of things that come out of the prison and they follow the prison officer home, one of the things that struck me—and I worked, I visited the prisons during the years 1985 to 1992, and I was surprised to learn that some of the conditions, most of the conditions that I was a witness to, still exist. And I am referring here to the system with regard to the availability of modern toilets within the prisons. I am talking specifically about the use of toilet pails in a prison cell that has sometimes up to nine people.

And for those of us in our well-sanitized homes, you read the inscriptions on the tooth brushes and they advise you always to keep them containerized because of the existence in your washroom facility of free radicals. So one can imagine what the average prison officer and prisoner and prison visitor are exposed to in a system where pails are still utilized.

All I can hope at this stage is that, you know, whatever budgetary provisions there are, that everything and anything is done to abolish that pail system because if you think in terms of the propensity for violence, we are sitting on a time bomb with regard to the prison system. With the propensity for disease, I do not know how—and I always had doubts as to the efficacy of the office of the county medical officers of health, and now the Environmental Management Authority—if that pail system could still in 2018, be in existence, then we have all in the society fallen drastically asleep, because there is no way when it strikes, that it will be less than devastating; the potential for cholera and the related chain of diseases that come out of that kind of system in this here time.

But to return to the substantive issues in the budget, and I want to focus mainly on the six major game-changer points that are listed in the Budget

Statement 2019, you know, on pages 11 to 16, and to compare these to the nine points of the *Vision 2030* that relate to the *Vision 2030* report.

First, of course, relates to—they speak here of the six major game changers, and that the first on the list, of course, relates to the strengthening of the gas-based economy, and by this they are referring to the negotiations that apparently have been successful for access to Venezuela's Dragon Field Reserve.

The thing about that, and I compare this to the absence of any serious reference to the whole question of diversification under the six major game-changer points, is the question of risk management. Trinidad just being some seven miles away at the closest point from Venezuela, has always been the first to know the possibility of political change or what is the nature of the political change sweeping Venezuela. Most of us forget that at one point in time during his lifetime when he was involved in what has now come to be known as the Bolivarian revolution, the creation of the Bolivarian union of states, Simón Bolívar resided in Port of Spain. I have been shown the actual place where he lived while he was here, while he was ostensibly “cooling his heels” when Venezuela got too hot for him to be stationed there.

So the question arises, now that there is an influx of Venezuelans who have found Venezuela too hot to continue to reside there: What is the level of risk, that the question of political stability of the current regime in Venezuela—what is the level of risk that our access to the Dragon Field exposes any developments downstream of that? What is the level of risk that is involved?

And I heard no mention throughout the debate to that question, and one would think that it is standard business practice to assess the level of risk that a business is exposed to. And until those statistics—and there are probability curves

and so on for calculating that within the business world—until our bright boys with the MBAs and so on, share that information, share that analysis, I will hate to think that our Government will be so irresponsible as to invest billions of dollars in a risky project like that. Because we are all busy talking about the billions of dollars that Petrotrin has been expunged for, the infrastructure necessary for moving gas from that field to Phoenix, Point Lisas, wherever in Trinidad, runs into billions of dollars, and what is the level of risk that is involved?

At any rate, and the wider question of diversification would appear to me that the ever present and persistent monoculture of the plantation mode, Beckford's living nightmare, persists.

Game-changer two: buoyancy of the capital market. Here reference is being made to the National Investment Fund and the \$4 billion bond. And I often wonder, is it that our capital market is so buoyant or is it a question of the paucity of capital investment opportunity that everyone had no choice but to rush at the \$4 billion bond? Which is it? Let us be honest now. Could that money have found its way into the capital market and to our stock exchange?—"no way Jose", because those who have good shareholdings on that market, hold on to them. And then there are the companies that are successful that are not available on the stock exchange. So what is really this local capital market that is buoyant? Surely, we are kidding ourselves, there is no buoyancy in our local capital market.

But that brings us to the broader philosophical question, as to: What are the underpinnings? What are the perspectives that the State has, and the whole question of ownership and control? Is it, are we still at the stage where we are celebrating the State's ownership or local ownership of the commanding heights of the economy? Are we evolved beyond that position? You know, and I thought of

that when initially Roget, the President of the OWTU, responded by saying that they are not in business of owning the refinery, that actually his point was that they were more interested in leasing. But whatever is OWTU's position, my question is: What is the State's position? What is their grounded philosophy? Because I would expect that position to be enunciated, and then whatever project we find ourselves in, is downstream of that philosophy, as opposed to the vagaries of whatever comes our way and a kind of happenstance philosophy; I have a problem with that.

The thing about it is—and that brings me to point two in terms of the question of solving and preventing crime. What is the vision for Marabella, Pointe-a-Pierre, Gasparillo and even, slightly further north always in the news, Claxton Bay? Claxton Bay makes the news and it is the by-line from the police station inevitably.

Have we considered what is the real fallout from the hole in Pointe-a-Pierre to those fence-line communities? Are we on the verge of hunger march road two?

And then there is point three which speak to attitudes and behaviours and poor ethos. What are we doing when the State clearly, roundly and soundly, publicly trashes the OWTU? What are we doing to the young males? What are we saying to them? What is the effect and the “work ethic” when we put these people, unplanned onto the breadline? Because, you see, we keep focusing on the numbers of employees—and I felt for Sen. Ramkissoon as an employee of Petrotrin—but the employees are largely catered for, by the union agreement. There is a minimum threshold under which they will not fall, come what may, but what of the casual workers? What of the workers with the contractors? As we go further afield, what message are we sending to them who are operating on the fence line,

to their work ethos?

And we come to game-changer three: restructuring of Petrotrin itself, or is that the abandonment of refining as a—oil refining as an industry? And that takes me back immediately to Caroni (1975) Limited, all over again. Are we in effect “throwing out the baby with the bath water”? Have we really taken the time to read Lashley’s report or are we glossing it over? Is Lashley at any point saying that we should close down the refinery? I have read the report and I have not seen that. [*Crosstalk*] That probably is in the appendix; the appendix to the appendix probably. [*Laughter*]

So are we going to end up like Angostura?—because Angostura imports bulk rum and puts a label on it. Is that where we are going? What is the company’s name, Paria? Paria Heritage, will they be importing fuel just like Angostura imports rum? Is that the vision that is envisaged in, you know, those nine points? Is that how we intend to expand exports, by importing? Is that how we intend to increase the foreign exchange? Brings you back to the question as to: What is the State’s role in the economy?—commanding heights of the economy?

It would appear that we are so steeped in the old culture of primary production and redistribution because, you name it, that is what amounts to business by and large in Trinidad and Tobago, that merchant marine class as opposed to genuine entrepreneurial activity.

There is a moneyed class here that is really entrenched in the distributive trades and fights to be the agent for or the distributor of having the—what do you call it? When you have the KFC or the Dairy Queen—the franchise—distributive trades, not really a productive entity. Is this the new vision? The State is going to enter into that? Because they are telling you that there are really three aspects to

what Petrotrin used to do; exploration and drilling, terminalling which is receiving—you know, yeah, whatever the ships bring in—and of course, refining. Now, terminalling, who in the State is doing terminalling? Are we a socialist state? I have no problem with that, you know, but I need to know. Because if we are a socialist state, fine, because that is not really the commanding heights of the economy. And the thing is, capital being as under-developed as it is, the State, whenever it has its hands on capital, has to have a priority listing, a “what are we going to do with this scarce resource”? And it cannot be that being in the business of redistribution, merchant marine activity, is that what the State is going to take all those scholarship winners and MBA holders to do?—come on.

Sen. Khan: Sen. Creese, I will probably respond in a little more detail when I speak, but you have to understand the evolution of business, you know, you are talking 1970s economics. Do you know right now in the LNG value chain, the most money is made by the traders? Not by the producers of gas, you know, not by the mid-stream who are making LNG, you know, not like from the FOB price at point. The traders, that is the negotiations that we are in with bp and Shell now, to see how we can bring back value from the traders into Trinidad; but I will give you a better discourse on Monday.

Sen. S. Creese: I think you have missed my point. [*Desk thumping*] My point is, is that what the State is finding itself doing, as opposed to nationals of Trinidad and Tobago? Because the State is not a national of Trinidad and Tobago, you know. There is such a thing as the private sector, so that is why I need to know: What is the State’s core philosophy? Is it that we are a socialist state? If you are saying that we are a socialist state, fine, I have no problem, the State will do everything and we will all work for the State. But if we are not a socialist state, if

we are a mixed economy, we need to be clear. What are we, fish or fowl? I am not denying that there are returns to be had in the enterprise, you know. Clearly, if there are millionaires in Trinidad, and as I said, they were largely a merchant marine class, it means that they are largely doing redistribution, then I am not denying the existence of profits and profitability of such an activity. The question is: What is the State doing there? Is the State in competition with its citizens? What is the model that the State has adopted as a principled position? I am not saying that they have to be back where we were in 1970, when we were trying to get certain multinationals out. But whatever we are, we must agree that that is what we are, and these activities would follow as a result of that.

So, if we are a communist state we will do X, if we are a socialist state we will do Y, if we are a capitalist state we will do X, Y and Z. But first we must know who or what we are, that must be abundantly clear; and that is not.

So, is the State in the business of competing with its own nationals in the distributive trades? Is the State going to corner up for itself these lucrative “cash cows”? Is that our philosophy? I am saying, once we agree on what the philosophy is, then all of us will know what to wear to the dance. But you cannot be playing games with the rules because the politics of convenience is a dangerous politics. [*Desk thumping*]

And to that extent, yes, the thinkers of the '70s: the Bests, the Beckfords, the Eric Williamses even, and the Demases, clearly, clearly are frowning down upon us, because surely we have lost our way. In a sense, Delano De Coteau is right, you know, the late Abdul Malick, the motto vision eye is closed, but the business of dreaming has ceased.

When I look at Wednesday's *Express*, Wednesday of this week, and I read

the article by Clyde Weatherhead, and the point he was making about the timeline involved in the registration of these companies, one wonders whether there was any sincerity in the offer to the OWTU or to any other national person or institution, to make an offer for the refinery. That timeline does not lend credence that that was, in fact, a genuine offer. And the response since seems to compound, to affirm that notion, that there is no intention to treat with whatever the OWTU has to offer on that question.

So that the broader issue of consultation—and I will be the first to admit, OWTU is just one stakeholder. Everyone over the age of 18 in Trinidad and Tobago, is a stakeholder in Petrotrin. [*Desk thumping*] The employees, like the Senator; the union, the fence-line communities—and I, all my life have lived in the fence-line community of Petrotrin, myself a former employee of Tesoro, born in Fyzabad, still living there.

You see, there is an assault as it were, on labour and not labour purely as an institution, but labour also as people, because the implications for fence-line communities are implications for credit unions and all who do business with them. And there are some 450,000 credit union accounts, and there is double counting there because people are members of more than one credit union. But the credit union in the State sector and particularly in the oil sector, the numbers are high, and the investments are even higher, and in credit union month this is going down.

And there seems to be to an extent to which it would appear, that Government is in tandem with some re-emerging negative attitudes to labour and particularly industrial relations, and in particular the Industrial Court has come under attack. And, you know, at each critical point in our history the axe always seems to fall on labour. And in *Vision 2030*, point four, the question—and I quote,

of “constitutional and institutional reform” comes up. So whether the Industrial Court, are they to be a target of constitutional and institutional reform? Are our labour leaders to end up like Butler and Weekes under the ISA and the IRA? Is there validity in the concern that after Roget, is Remy?

Hon. Senator: Then Duke.

Sen. S. Creese: But before we get to Duke, Remy wears two caps. The names do not really matter, it is the position, because the other cap he wears is as a credit unionist. [*Crosstalk*] It is the same people because I have to work somewhere and then I join a trade union, and then I join a credit union and I get my employer to send the deductions to the two institutions, but it is one person. That is why I said, in the 500,000 or so accounts there is obvious double counting, but there is a person at the back of each account, and these persons have created, participated in trade unions who in turn, turn around and create credit unions; PSU is a product of PSA.

Up to the time I left the service, the computer printout still said PSA Credit Union, when we had gone through three iterations of that name. After Petrotrin is TSTT, my friends tell me.

7.15 p.m.

But I know, I worry too much about the fence-line communities, because at page 15 of the budget statement, they say, and I quote:

“We are taking steps to ensure that the workers are appropriately-compensated with due regard to their welfare and that of their families.”

The aloofness of that tone. All I can say to the workers, listen, the OWTU has set the stage for that already, but the aloofness of that tone, it sounds like a report coming out of the Moen Commission after some trouble in the colonies, and they

send down the guys, you know, to come and do the whitewash job, and keep the natives, the restive natives, quiet. To think we have come full circle. You see, it is the contractors and their workers, eh, all the casual workers; the doubles vendors, the mobile food pedlars, even the maintenance warrants in the Magistrates' Courts—

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

Sen. S. Creese: Thank you, Madam President. Everybody is really on the fence line, and they will be soon lining up to pluck the green fowl, because the dasheen bush, things go up, things go down, the dasheen bush is still there.

Then we come to game-changer four, this is all about the Sandals project, at budget statement, page 15. I do not have the constitution to really read that section into the *Hansard* record, except to note the number of rooms. There are going to be 1,000 rooms. Is this Magdalena all over again? If you take the name out and the number of rooms it would sound like the Magdalena brochure. It is almost sickeningly myopic. You see, the Sandals idea could make sense, if the level of food production, if the level of readiness of the Tobago economy to absorb Sandals is there, but what the crisis with the sea bridge pointed to is that all the food coming from Trinidad. So, who is prepared at a moment's notice to pick up that slack, to take up those contracts with the hotel for the supply of whatever, that 1,000 rooms would demand? Is it going to be the local farmer? Is anything in the budget presentation last year or this year, assures us that local farming is there and ready to go, to run with this thing? To get the benefits, whatever they are from Sandals?

You see, the Sandals situation makes you ask the question, the airport expansion is for who, Tobago or Sandals? The harbor expansion is for who,

Tobago or Sandals? The quick acquisition of the fast ferries is for who, Tobago or Sandals? It comes unravelled. It could be perceived for what it is. So what then with all these projects to support Sandals, what is the real cost of the Sandals project? You have to add up all these other projects to get the cost of the Sandals project, it is not the nominal construction project. And what is the impact to add to the costing? What is the impact of a 1,000-room hotel on the fragile ecosystem that is Tobago? What is the impact? And in all the points they are talking about environmental sustainability. Is EMA ready to play their part?

Game-changer five talks about the dry-dock facility; ship-building programme, about 2,700 direct jobs and 13,000 indirect jobs, and so on, and that of course, this is going to be another Chinese project. Well the Malaysia PM has a concern, the Malaysia leadership says listen, the Chinese always want to bring their own labour and to bring their own materials for the projects, so what is left for the local country? He turned down quite a few Chinese projects on those grounds. Then the transfer of skills, our recent experience with that fast fleet, and the transfer of skills in the management of the ship tells us that we do not have presently, within the shipping sector, the capacity to monitor that and ensure whatever skills there are to be transferred were in fact transferred with that ferry that had departed quickly. The time it was here we did not acquire the skills in running that ship. I have little confidence that we will do so now.

And that brings us, of course, to the sixth game changer, the whole question of the acquisition of fast ferries, and whether this expensive acquisition feeds into a national—

Madam President: Sen. Creese, your time is up.

Sen. S. Creese: Thank you, Ma'am.

Madam President: Sen. De Freitas. [*Desk thumping*]

Sen. Nigel De Freitas: Thank you, Madam President, for the opportunity to contribute to this budget presentation for the fiscal year 2018/2019. And, this is my fourth budget presentation in this august House, and I intend in my contribution to focus on the theme of this year's budget which is "Turnaround".

Now, Madam President, after following all of the discourse that usually takes place post-budget reading in the other place, I think it is safe to say there is some scepticism about the theme of this year's budget, and that is not to be unexpected. I remember in the first budget presentation that we had where we were talking about the economic downturn that this country was facing there were scepticism then, so I find it ironic that four years later when we speak to a turnaround where we are exiting this economic downturn that you are seeing scepticism, especially in the public domain and in the other place in relation to that. But, Madam President, it is the level of scepticism that I heard today from Members opposite that left me baffled.

And Sen. Haynes spoke to gaslighting, and I have to ask the question, Madam President, that when you engage in the largest expenditure in this nation's history with no return on investment or value for money then telling us to stop talking about it, that that is old news, is that not gaslighting? Failed project, after failed project, after failed project, no accountability, no apology, but telling us that we have no vision, and that we have no plan, and all of a sudden when we stabilize the economy and finally project a positive growth and magically a plan appears, that they have a plan for the future. [*Desk thumping*] Madam President, is this not gaslighting?

Hon. Senator: No.

Sen. N. De Freitas: Madam President, Sen. Haynes spoke to psychological warfare, but I want to remind this nation that there are only two psychological terms needed when listening to Members opposite.

And the first is, is that you cannot solve a problem from the same mindset that created it. And perhaps the most telling statement towards that came from Sen. Mark today, where he indicated that this Government engaged in a savage cut in expenditure which had dire effects on the citizens. Now tell me, after what they did in 2010 to 2015, what recourse did they leave to anybody coming in from the 2015 period? How were you to stabilize this economy if you did not engage in expenditure cuts? I remember that one of the scepticisms that was levelled against this administration in that first budget presentation is that we were not cutting large enough and we were not cutting fast enough. So I say that to say, Madam President, that they are engaging in the exact same mindset that got us into this problem in the first place.

Madam President, the second psychological terminology that I want this nation to remember when dealing with the Opposition is that it is not the same day that a green leaf drops in water that it rots, and that speaks to the fact that the activities of 2010 to 2015 did not have its effect in 2010 to 2015; the effects of those activities came after. [*Desk thumping*] So, Madam President, the reason that we keep reminding this nation is because a man who forgets the mistakes of his past is doomed to repeat them. [*Desk thumping*] And this country cannot afford the mistakes of 2010 to 2015 again. We will not survive it. So, Madam President, I sympathize with Members opposite. You see, they have to rebut against what is a positive achievement of this administration in relation to turning around the economy. You see, they never expected that we would be able to do it in a five-

year period. They expected to go into the elections with a downturn in the economy so that they could sell doom and gloom to gain political mileage.

But, Madam President, I have to say that the one thing that they did not cater for is the mastermind that is the Minister of Finance, the intelligence [*Desk thumping and laughter*] that is the Minister in the Ministry of Finance, and the leadership capabilities of the Prime Minister of this country. [*Desk thumping*] So, I for one support the Minister of Finance and the Minister in the Ministry of Finance, and as I go through my observations I will explain why. [*Interruption*]

Madam President: Sen. Ameen, I am hearing your voice above that of the speaker. Please! Continue.

Sen. N. De Freitas: So, Madam President, as I indicated, I support the Ministry of Finance, and—[*Interruption*]

Madam President: Sen. Ameen, please, I am still hearing you. Continue Senator.

Sen. N. De Freitas: Thank you, Madam President. You see, what happens is when the truth strikes like lightning, you must bring the thunder and they cannot accept it. [*Desk thumping*]

So, Madam President, the first thing I did, outside of the numbers and review of the economy that usually accompanies a budget presentation, is to look back to see what progress is being made in relation to previous budgets that would justify a turnaround. When I did this, I noticed that the theme put forward did not just apply to the numbers and financial criteria when determining the health of an economy, but I look to the social and human factors as well. Most importantly, Madam President, I looked to the response to the people who govern, as in are we implementing what we say we are going to, or is the public of which we are all a part and to whom the budget applies, also understanding of where we are, and what

needs to be done, so that we may progress as a nation.

You see, Madam President, in order to progress as a nation, we must remember from where we came. We must be true to ourselves. We must learn from the mistakes of our past. Last year's budget was themed, "Changing the Paradigm", meaning that we had to change the way we think if we were to emerge from the economic circumstances that we found ourselves in. What we had to change specifically was two scenarios. The first, was the mentality of increasing expenditure, even in the face of declining revenues, and the proof of that change came on September the 7th, 2015, to the benefit of all in this nation.

Madam President, the second was, and this is where the understanding of the citizenry, and the patience of the citizenry came into play, and that was the reduction of expenditure to meet revenue. And you would remember that Sen. Shrikissoon, in the opening comments of his budget contribution spoke to that in great detail.

And, Madam President, you may recall that it was the same Sen. Shrikissoon in another contribution, I think it was the mid-year review somewhere around 2016, that made a statement stuck with me all this time. And what he spoke to was that the problem we face is that we are trying to reduce expenditure whilst revenue is also declining, and at the time revenue was declining faster than expenditure. And it is at this point, Madam President, that I understood that in order to achieve the turnaround that we have gotten to today it would require not just leadership and vision, but more importantly the strength of will to do what is necessary even if it meant it was unpopular.

So, Madam President, the turnaround as indicated in this year's budget is as a function of consistent efforts to reduce expenditure and increase revenue, and as

such I want to touch briefly on two issues that have dominated the discussions surrounding the budget that are focused on reducing expenditure, the first being that of Petrotrin. Now, Madam President, I am not an energy expert, let me just put that disclaimer there one time, and I leave the specifics for the energy experts in the room. But like most citizens, reading all that is in the public domain and trying to make sense of it all, this is what I have come to understand: The issue regarding Petrotrin and its lack of profitability did not happen overnight. It is something that has been happening over time, and for whatever reason treating with it head on has been put off time and time again. The proverbial can has been kicked down the road. The problem with that, Madam President, is that at some point you have to pick up the can and treat with it. You cannot kick it down the road forever.

And given the economic circumstance that we found ourselves in, we must reduce expenditure, and we must find ways to increase revenue. It just so happens that that time is now. However, that now poses another problem, which is, in treating with it you find yourself between a rock and a hard place. The decision to restructure could not have been an easy decision to make. And the reason—and I know this is because it is not politically expedient to do so, and there is no political mileage to be gained, but there is a benefit to the country. And that is how a change in paradigm leads to a turnaround, because for the first time we have seen where a Government is putting country first. This is why I said, Madam President, in order to achieve the turnaround it requires the strength of will to do what is necessary to the benefit of all, even if it is unpopular.

Madam President, to put the emotions, feelings and decisions surrounding this issue into a context that I think everyone can understand, let me use an

analogy: You wake up one morning and there is a pain in your leg, noticeable but not annoying, you go about your life as normal thinking nothing of it, as most would. You are thinking that it is “gonna” go away, and as time passes, could be years, it could be months, you learn to ignore it, maybe even live with it. There comes a point where you cannot ignore it anymore, it is too painful to walk, you go to the doctor who after his tests gives you the bad news, it is cancer. He has to operate and remove the leg in order to save your life. You have a decision to make, you go through the emotions, you do not want to lose your leg, you have had it since birth. You have learnt to walk with it, play sports with it. How are you going to live? What is your quality of life going to be? But you are between a rock and a hard place, because if you do not lose the leg, you lose your life and there would be no quality of life to speak of.

So, Madam President, that sounds eerily familiar. To some of the sentiments I have heard since this decision was announced. You have a part of the business that is losing money, that if allowed to continue, threatens the economy, threatens the turnaround, threatens the country, a decision has to be made that is not easy. The sentiments that I have read and heard centre around heritage. We heard Sen. Mark talk about patrimony today. It centres around history, and that you must find a way because we are accustomed to having it this way. And in the same way that the doctor understands what has to happen, knows that it is never an easy thing to go through, and operates with the patient’s best interest in mind, so too, Madam President, Trinidad and Tobago has a doctor at its helm, that cares about this country, and with the intention of doing no harm, operates without fear or favour [*Desk thumping*] to the benefit of all in this country, even those that are directly affected by this decision.

Madam President, in this budget presentation, in relation to those directly affected, the Ministry of Finance has indicated the provision of approximately \$2.6 billion, consisting of \$1.8 billion for all employees, under the separation packages in nine collective agreements; \$555 million in back pay for all employees, \$203 million in vacation pay for all employees, and \$30 million in ex-gratia payments for all contingent employees. This is on top of the two pension plans, which are both fully funded with a combined asset value of \$10.7 billion, and still expected to meet all of the obligations and liabilities.

Madam President, I have had the experience of living in a developed country during a period of economic downturn that led to companies being forced to restructure, and I can tell you that the feelings expressed by employees are the same as it would be anywhere such a thing happens. What I noticed, though, about the employees is that they always fell into three categories, and it is not that there were not other categories, it is just that when I listened to friends and family of friends, and those that I interacted with I discovered that there were always three major categories that they fell into.

And the first one were those who for one reason or the other found themselves working in an industry that they did not intend, but because the money was good, or simply because they were comfortable they chose to stay and make a career of it. These individuals when faced with a loss of job responded by saying, "I would have preferred not to have been let go at all", as anybody would say. "But the circumstances have given me an opportunity to do what I always wanted to do, to follow my dreams." Some would have transition into another industry, the one they always wanted to be in. Others would have gone back to school, and some would have started a business.

The second category, Madam President, were those who were, being much older and who spent for all intents and purposes a full career with the company and were not long from retirement, their usual response was to travel, spend more time with family, pretty much they saw the job loss as early retirement. But it is the last group that was the one that had the hardest time. These were the ones that had the skill sets, were still relatively young, wanted to be in the industry that they were in; these were the ones that the Presidents and Prime Ministers spoke to, when they talk about job creation in other sectors in other countries to counter the job losses in another.

But, Madam President, this is all those leaders could have spoken to because there were not any severance packages, back pay, vacation pay, or ex-gratia payment. There was no pension plan to speak of. The most that some of these individuals would get, depending on what level they were in the company, if it was private or whether it was public, is something called “a golden parachute”, but you had to be at a CEO level or above.

But, Madam President, in Trinidad and Tobago, because we understand and sympathize, not only would you find these things for those directly affected, but as the Ministry of Finance indicated, you will find that there is a concerted effort to have job creation in other industries to which these individuals can transition to once those projects come on line. And, Madam President, I quote from the budget presentation:

“The China Harbour and NIDCO maritime project in La Brea and the increased drilling and production works being undertaken by Petrotrin will bring additional opportunities for the former employees for jobs as fitters, electricians, assemblers, welders and mechanics”—technical—“craftsmen,

and for contractors and many other service companies in the emerging industries in the south-west peninsula.”

So you are seeing where, similar to developed countries, where at the level of CEOs and above, where they would get golden parachutes if there was retrenchment to take place or if that person had to exit, you are seeing here where this administration is taking great care to ensure that these individuals due to the economic circumstances and the hard decisions that we have to make are receiving the payments that are due to them, But secondary to that, we are focusing on creating jobs so that there is some transition into the future. So, Madam President, as I indicated, tough decisions had to be made. We do so with the benefit of the country in mind. But more importantly, taking into account those directly affected so as to soften the impact.

Madam President, I now move forward to another expenditure-reducing initiative that has gotten much attention, and that is the reduction in gas subsidy, one that needs no further explanation as it is the item that people look forward to in the budget. Again, another decision that is not an easy one, that draws no political mileage, that has been kicked down the road for many a budget presentation across governments. All had the intent, but none had the will to implement, and one that we must now inevitably face. I am looking at this particular issue in the context I outlined earlier in relation to the human factors that would indicate a turnaround, specifically understanding by the public. And, Madam President, when we called for a change in the paradigm last year and the subsidy was reduced for diesel and super, the response was a nationwide increase in taxi fares. This year with the reduction of the subsidy for super alone, I have found a mixed response. And, Madam President, I invite you to listen to an article in the *Newsday* dated Friday

the 8th of October, 2018, titled “St James fare remains at \$5”—as a gift to the public, and I quote:

“Passengers going to St. James need not dig any deeper into their pockets as”—taxi—“drivers have agreed to absorb the”—increase—“in price of super gasoline in”—this week’s—“budget.

Errol Alexander, president of St James Taxi Drivers Association, yesterday told *Newsday* his executive met earlier and agreed not to raise fares.

‘There is no need to...as the public did not get a raise’—he said—“‘This is our Christmas gift to the travelling public.’

His association...agreed to absorb the cost of the gas increase and to keep fares at \$5.”

And I just want to say, Madam President, that you are starting to see where individuals in the—

PROCEDURAL MOTION

The Minister of Energy and Energy Industries (Sen The Hon. Franklin Khan): Thank you very much. Madam President, in accordance with Standing Order 14(5), I beg to move that the Senate continue to sit until the completion of the contribution by Sen. De Freitas.

Question put and agreed to.

APPROPRIATION (FINANCIAL YEAR 2019) BILL, 2018

Sen. N. De Freitas: Thanks again, Madam President. Continuing along the point I was making, in the sense that the public by way of the example of the president of Taxi Drivers Association for St. James, indicating that they would not pass this raise on to the travelling public, I just want to actually refer to another article, which is similar, because I am not just going to use one, which speaks to another

route, and that particular article was in the *Guardian*, Tuesday, October 16, 2018, titled “Fare increase causes division among the Curepe/Chag drivers”, and I quote:

“Commuters along the Curepe to Chaguanas route are being advised not to pay the increased fare of \$12. Instead, they are being urged to travel with drivers who are charging the current fare of \$10.

Claiming there was a ‘war’ brewing among the route drivers as 97 per cent of them were not in agreement with the proposed increase, some of the drivers said they wanted to avoid imposing any further hardships on the travelling public.”

And, Madam President, I am saying that to say that you are seeing the change in mentality in relation to some of the initiatives that need to be taken in order to get us to the point of turnaround and beyond.

But what I want to say at this point, Madam President, is that this particular initiative is not one that is set in stone in the sense that it is one that people have to use one particular fuel. There are alternative fuels in Trinidad and Tobago. And, as much as we have heard of CNG, and I have heard the argument where individuals do not like to use CNG, I myself did not understand why until I read the first article, which is the one that was in the *Newsday* that I spoke to, and it was the last paragraph in that article that really brought things into perspective for me. And that article says this:

He reckoned—and this is Mr. Alexander—that the \$55 per day, he would usually spend to top up his tank each day to facilitate his trips would now increase to \$70 or \$80. Usually \$280 or \$300 can be earned in fares from such a tank of gasoline, he said. On CNG he said one or two association members had converted by installing CNG tanks. A driver can work a whole day on a \$12 tank of CNG

gas, Alexander said, but some drivers do not want to use CNG because they do not want a CNG tank in their car trunk.

And I am saying, Madam President, it seems that where you can increase profits for those who use this particular type of fuel, which is gasoline by changing over to CNG, are not doing so because of a superficial thing in the sense that they do not want the CNG tank in their trunks. And, I am saying that if it is we have to go through this turnaround and get to the future that we have to get to a mindset change. That is why the NGC earlier on this week is sponsoring 1,000 conversions to CNG, and I implore individuals, especially those who rely on fuel to generate income for the month to engage the NGC in this sponsorship.

So, Madam President, I want to go further to say, from a national perspective, that I look forward to the day that we change the way we think about the use of our vehicles, and I am talking privately now. In light of the fact that expenditure on gas subsidy must be reduced and the resulting effect can be mitigated by individually reducing the expenditure we incur from excessive driving, I want to say that I am not talking privately in relation to the daily commute. I think Sen. Haynes would have spoken to that, or to work, or to any usage related to family activities. What I am talking about is the mindset that we must drive to everything. If it is one thing I know comes with sporting events, fetes, or any kind of public gathering in this country, in Trinidad and Tobago especially, is that it is massive traffic that accompanies those events.

And, Madam President, as we continue to develop as a nation, I compare our progress to that of developed nations and the experiences I have had there, and I can tell you that the use of cars or vehicles is very different, probably because there are a lot of associated costs with driving. Paying for parking is just one example.

And, of course, the fact that the price at their pumps fluctuates is another.

And it is Sen. Small that alluded to that when he was talking about utilities when he was in, I think, Europe, you were talking about, where he indicated that as soon as he got there he realized that once you had to pay for something your behaviour changed.

7.45 p.m.

And so, Madam President, I am just wondering, if in the future as the expenditure incurred through the gas subsidies reduced, if there would be a corresponding increase or balancing of the use of the current public transport system in conjunction with cost-cutting measures like carpooling, not just for fetes or sporting events and public gatherings, but in our daily lives.

So, Madam President, I now move on to revenue-generating initiatives, specifically as it relates to Tobago, simply because the biggest revenue-generating initiative is to ensure that the Tobago's economy gets a much-needed boost and this Government has committed to do so in several ways. I will focus on three categories: revenue-generating projects, developing infrastructure on the island and strengthening the sea bridge.

Madam President, we all know about the Sandals project and the potential it has to be a catalyst to the tourism sector for Tobago and to be a job creator as well. We have heard all of the benefits in previous budget debates. Added to this, Tobago can now expect a marina which in and of itself, like Sandals, would also be a catalyst to the tourism sector and a job creator for Tobago. This is something that has been promised to Tobago for a very long time, something that Tobago has been asking for, for a very long time and is well on its way to becoming a reality under this administration to the benefit of all Tobagonians.

And Sen Creese, just to answer your questions as to whether these things are coming up because of Sandals—as I just indicated, some of these things that are now coming up have been asked for by Tobago for years and never been implemented. We have gotten promises, but you have never gotten the kind of implementation. So I do not know if Sandals came first and then these things came, but I can tell you we have been asking for it and Tobago is glad to get it and we believe that this administration would be able to provide it where other administrations have failed.

But, Madam President, again, I would just say to Sen. Creese and to the rest of the Members in this Chamber, do not take my word for it because anyone can make a promise regarding a project. Let us take a look at the track record of this administration in relation to Tobago. In previous budgets it was promised that the Police Station at Old Grange and Roxborough would be done. Those are well on the way to completion and will be done in fiscal year 2019.

In last year's budget the Minister of Finance announced that there would be a discussion in relation to Tobago being able to borrow money for its development—something again that has been asked for, for years, for as long as I could remember and promised without implementation. Madam President, I am pleased to hear the Minister in the Ministry of Finance say in this year's budget that that particular promise has been achieved, in that Tobago is now able to borrow up to \$300million to finance its programmes and development on the island. This is in addition to the \$1.055 billion allocated for expenditure in Tobago by various Government Ministries and statutory authorities.

Madam President, if I was to stop there alone, that is a lot that has been done for Tobago by way of promises made projects and by way of things that have been

given to Tobago. But, Madam President, I am not done. The airport terminal building, another promise by the previous Government, one that had fallen on deaf ears, one whose lack of fulfilment caused airlines to pull out of Tobago if it was not fixed in time. Yet still that did not cause decisive action by the previous Government. All that was required then was an upgrade to what is there now. This administration is going one step further and the new airport terminal is part of the plan to boost tourism and airlifts to Tobago; one that can be expected to come to fruition.

So, Madam President, I have left the best for last, a promise fulfilled, the sea bridge. [*Laughter*] For the last year, and I am glad—Madam President, [*Crosstalk*] I am very glad that they are laughing because for the last year we sat and in response to our promises that we would fix and strengthen the bridge, we listened to claims of mistreatment of Tobago, claims that they were speaking out because they had nothing but love for Tobago; that they were friends of Tobago people; that the boat was not good enough; that it would not work; that there were security issues with the boat; [*Crosstalk*] yet on the return of the *Spirit* to service we heard no comments.

On the first sailing of the *Galleons Passage* which signalled the end of the issue on the sea bridge, we heard not a squawk, not a bark, not a peep for those who said they cared. Madam President, I will tell you why. The faces of the first passengers on the maiden voyage of the *Galleons Passage* drove the fear of political demise in their hearts [*Desk thumping*] as their political credibility waned with each smiling face that exited on the [*Crosstalk*] Port of Scarborough, Tobago.

Madam President [*Crosstalk*]

Madam President: Please, [*Crosstalk*] listen, Members, Sen. Hosein—

Sen. S. Hosein: Yes, yes, Madam President.

Madam President: Please, we are nearing the end of today's proceedings, could we just listen in silence to the last speaker, please.

Sen. N. De Freitas: Thank you, Madam President. So, Madam President, I just want to say and remind people what the particular issue was on that sea bridge when we had that first budget presentation. It was that there were not enough spaces for the demand during the high-travel periods between August and Easter. And I remember, because in my first budget contribution I made a prediction in relation to that sea bridge and when the port of Toco was announced I indicated that we would need four vessels to service those two bridges. And I can say today, Madam President, that this administration has purchased one, which is currently operational, that would take up service when the Toco port is built for the bridge between Toco and Scarborough, and two that are currently being built that would arrive in mid- 2020. So, Madam President, I say not bad at all for a prediction, but what I will tell the Minister of Works and Transport today is that we still want a fourth boat, and I am just putting that out there for consideration.

Sen. Sinanan: On the way.

Sen. N. De Freitas: On the way. There you have it, Madam President.

[*Laughter*]

But, Madam President, so confident am I in this Government and the projects that we have planned for Tobago that today I will make another prediction and put it on the *Hansard* record. Today I predict that all those that decried and claimed mistreatment of Tobago in this Chamber and in the other place will find themselves on the *Galleons Passage* or on one of the new boats [*Crosstalk and desk thumping*] or find themselves walking through the new airport terminal in

Tobago, they would gladly pay for a week-long stay in Sandals resort, Tobago, the biggest Sandals resort in the Caribbean; and when they enter their rooms say a prayer for them, for that is when they will realize the vision of this Government. A Government that took a diamond in the rock, that is Tobago, made it a diamond excavated, a diamond polished, a diamond whose true value can be seen by all who look upon it.

Madam President, I say to all Tobagonians that can hear me, when you see them, show them the Tobago hospitality, smile and wave. When you see them in the pirogue trying to race the *Galleons Passage*, smile and wave. When you see them at the breakfast table at Sandals resort, Tobago, smile and wave and thank them for their contribution [*Desk thumping*] to the economy of Tobago and the diversification of the economy of Trinidad and Tobago for that is the vision of Dr. Keith Christopher Rowley. [*Desk thumping and crosstalk*]

Madam President, in conclusion, the turnaround is fuelled by a consistent drive to reduce expenditure and increase revenue, but not just to increase revenue already actualized, but to diversify revenue sources so that future shocks to our economy will have a much softer impact. This does not only require financial changes to be made but behavioural and mental ones as well. This is why we initially asked citizens to build with us and to grow with us so that we could achieve the turnaround we are experiencing, and as we progress towards a brighter future we can one day realize our potential for paradise. Madam President, with those few words, I thank you.

Sen. Baptiste-Primus: Well said. [*Desk thumping*]

ADJOURNMENT

The Minister of Energy and Energy Industries (Sen. The Hon. Franklin

Khan): Thank you very much, Madam President, and if you permit me, Mr. Vice-President. Madam President, I beg to move that this Senate do now adjourn to Monday the 22nd of October, at 10.00 a.m. and we will continue the Appropriation (Financial Year 2019) Bill, 2018 debate.

Question put and agreed to.

Senate adjourned accordingly.

Adjourned at 7.54 p.m.