

**SENATE**

*Tuesday, November 26, 2019*

The Senate met at 1.30 p.m.

**PRAYERS**

[MADAM PRESIDENT *in the Chair*]

**PAPERS LAID**

1. Appointment of the Commissioner of Police and Deputy Commissioner of Police (Qualification and Selection Criteria) (Amendment) Order, 2019. [*The Vice-President (Sen. Nigel De Freitas)*]
2. Ministerial Response of the Ministry of Trade and Industry to the Twenty-Third Report of the Public Accounts (Enterprises) Committee on an Examination of the Audited Financial Statements of InvesTT Limited for the years 2014 to 2017. [*The Minister of Trade and Industry (Sen. The Hon. Paula Gopee-Scoon)*]
3. Ministerial Response of the Ministry of National Security to the Twelfth Report of the Joint Select Committee on Human Rights, Equality and Diversity on the Sexual Exploitation of Children in Trinidad and Tobago with specific focus on Child Prostitution and Child Pornography. [*The Minister of Agriculture, Land and Fisheries (Sen. The Hon. Clarence Rambharat)*]
4. Response of the Tobago House of Assembly to the Twenty-Seventh Report of the Public Accounts Committee on the Examination of the Expenditure and Internal Controls of the National Carnival Commission of Trinidad and Tobago (NCC) for the years 2010 to 2018. [*Sen. The Hon. C. Rambharat*]
5. Ministerial Response of the Ministry of Community Development, Culture and the Arts to the Twenty-Seventh Report of the Public Accounts

Committee on the Examination of the Expenditure and Internal Controls of the National Carnival Commission of Trinidad and Tobago (NCC) for the years 2010 to 2018. [*Sen. The Hon. C. Rambharat*]

## **JOINT SELECT COMMITTEE REPORTS**

### **(Presentation)**

#### **Mutual Administrative Assistance in Tax Matters Bill, 2018**

#### **Tax Information Exchange Agreements Bill, 2018 and the**

#### **Income Tax (Amdt.) Bill, 2019**

**The Minister of Agriculture, Land and Fisheries (Sen. The Hon. Clarence Rambharat):** Madam President, I have the honour to present the following report as listed on the Supplemental Order Paper in my name:

Report of the Joint Select Committee on the Mutual Administrative Assistance in Tax Matters Bill, 2018, the Tax Information Exchange Agreements Bill, 2018 and the Income Tax (Amendment) Bill, 2019.

#### **Gambling (Gaming and Betting) Control Bill, 2016**

**The Minister of Public Administration and Minister in the Ministry of Finance (Sen. The Hon. Allyson West):** Madam President, I have the honour to present the following report as listed on the Supplemental Order Paper in my name:

Report of the Joint Select Committee on the Gambling (Gaming and Betting) Control Bill, 2016.

Thank you, Madam President.

#### **Public Administration and Appropriations Committee**

#### **Ministry of Works and Transport**

**Sen. Wade Mark:** Thank you very much, Madam President. Madam President, I have the honour to present the following report as listed on the Supplemental Order Paper in my name:

Nineteenth Report of the Public Administration and Appropriations Committee, Fifth Session (2019/2020) Eleventh Parliament on an enquiry into the examination of the expenditure and internal controls of the Ministry of Works and Transport.

### **URGENT QUESTION**

#### **Trinidad and Tobago Coast Guard**

#### **(Action Taken to Recover Money)**

**Sen. Wade Mark:** Thank you. To the Minister of National Security: In light of reports of a recent audit conducted by the Trinidad and Tobago Coast Guard in which financial irregularities involving approximately half a million dollars were discovered, what action will be taken to recover said moneys?

**The Minister of National Security and Minister in the Office of the Prime Minister (Hon. Stuart Young):** Thank you very much, Madam President. Madam President, as was initially stated by the Trinidad and Tobago Coast Guard yesterday, they wish to acknowledge an internal allegation of misappropriation of funds by a current serving member of the organization. These funds which are held within an account managed by the senior ratings of the coast guard, were accumulated internally in accordance with proper financial procedures where preliminary investigations suggest that fraudulent activity resulting in the misappropriation of funds may have occurred.

The Trinidad and Tobago Coast Guard wishes to advise that these moneys do not involve any public funds. They were contributions from the men and women in the coast guard. However, the organization categorically denounces any type of

fraudulent activity involving its members and, as such, the relevant authorities have been notified. Internal investigations have been ongoing, and if any such activities are proven, the Trinidad and Tobago Coast Guard stands prepared to take all available disciplinary actions. Madam President, those are the actions that have been taken.

When they talk about investigations taking place, there is also now an ongoing police investigation, and I would like to put on record that it is the Trinidad and Tobago Coast Guard who discovered these discrepancies and they moved with alacrity and in a responsible manner and immediately informed the Trinidad and Tobago Police and, in particular, the Fraud Squad, and there are two current investigations taking place. Obviously, no more can be said with relation to these investigations at this time. Thank you very much.

**Sen. Mark:** Yes. Madam President, could the Minister indicate when did the Trinidad and Tobago Coast Guard discover this development in which there were some financial irregularities involving this sum of money? When exactly was this discovered?

**Hon. S. Young:** Thank you very much. Madam President, as I made very clear, there are two ongoing investigations. I will say nothing at this stage that may prejudice those ongoing investigations.

**Sen. Mark:** Could the hon. Minister indicate when was the police notified by the Trinidad and Tobago Coast Guard of these fraudulent activities?

**Hon. S. Young:** As soon as the information was discovered.

### **ORAL ANSWERS TO QUESTIONS**

**The Minister of Agriculture, Land and Fisheries (Sen. The Hon. Clarence Rambharat):** Thank you, Madam President. Madam President, there are four questions on the Order Paper for response. Madam President, we are in a position

to answer question No. 9 to the Minister of Finance. We are asking for a deferral of question No. 8 to the Minister of Works and Transport. Madam President, may I correct myself?

The Government is in a position to answer question No. 8 and question No. 9. We are in a position to answer question No. 46, but the Minister of Public Utilities will be here shortly and I am asking respectfully that it be stood down, and the Government is not in a position today to respond to question No. 48. Thank you.

**Madam President:** Question No. 7? [*Crosstalk*]

**Sen. Mark:** Question No. 7?

**Sen. The Hon. C. Rambharat:** Yes, Madam President, question No. 7 also, we will be responding to that.

*The following question stood on the Order Paper in the name of Sen. Taharqa Obika:*

### **TSTT Issue of US Dollar Denominated Bonds**

#### **(Details of)**

**48.** Given the announcement that TSTT intends to issue US dollar denominated bonds, can the hon. Minister of Finance indicate:

- (i) whether this decision has been approved by Cabinet;
- (ii) the total US dollar value of the intended bonds;
- (iii) how such bonds would be guaranteed; and
- (iv) the impact of servicing these bonds on the country's foreign reserves?

*Question, by leave, deferred.*

### **Jean de la Valette Vessel**

#### **(Details of Overtime Payments)**

**7.** **Sen. Wade Mark** asked the hon. Minister of Works and Transport:

In light of reports that the *Jean de la Valette* vessel will be maintained by a foreign crew working 12-hour work days, can the Minister advise whether the daily rate of €34,500 (TT \$263,500) includes overtime payments for the crew?

**The Minister of Works and Transport (Sen. The Hon. Rohan Sinanan):** Madam President, the daily rate of €34,500 does not include overtime payment for the crew. The hours of work for the crew of the *Jean de la Valette* has been agreed between the parties in accordance with the RCW convention. The STCW Convention has been described as one of the four pillars of global maritime regulatory systems. Accordingly, to this convention the minimum number of hours for rest is 10 hours per 24-hour work. For ratings and officers who are part of the navigational engine room or radio watch whose duty involves designated safety, prevention and security, also, the rest period in any seven-day period must not be less than 77 hours.

Sailings of the *Jean de la Valette* are scheduled in accordance with the above mentioned stipulations of the STCW Convention, and as such, overtime work is not envisaged. Further, the maintenance of the vessel is undertaken in such a way as to facilitate the schedule operation of the vessel so that there will be no need for overtime payment due to maintenance of the vessel. Thank you.

**Madam President:** Sen. Mark.

**Sen. Mark:** Can the Minister indicate what other allowances outside of wages and salaries that are currently enjoyed by the foreign crew working on this vessel known as the *Jean de la Valette*?

**Sen. The Hon. R. Sinanan:** Madam President, this is a chartered vessel where we pay a fixed rate. The maintenance and the cost of the staff on the vessel to man the vessel is paid for by the owners of the vessel. I do not have in my possession any

further information if there are any other charges, but I am quite prepared to make that available to the hon. Senator. Thank you.

**Madam President:** Sen. Mark.

**Sen. Mark:** Madam President, through you, can the hon. Minister indicate what is the size of the foreign crew manning this particular vessel?

**Sen. The Hon. R. Sinanan:** Again, Madam President, I do not have the exact crew that mans the vessel. The vessel did come with its own crew and they do hire some of the locals to do other jobs on the vessel, but I can, again, make that available to the hon. Senator if he so desires.

**Sen. Mark:** I so desire.

**Sen. The Hon. R. Sinanan:** You will. I expected you to.

**Madam President:** Sen. Mark.

**Sen. Mark:** Madam President, I do not know—well, I should not say, “I do not know”. May I ask, through you, whether the Minister can indicate what is the total sum paid thus far, as far as you are aware, to this particular—for the rental or charter—the chartering rather of this vessel since its arrival? Can you help us on that matter? Do you have any information you can share?

**Madam President:** Sen. Mark, I would not allow that question.

**Sen. Mark:** Okay.

### **Port Authority Credit Card Facility**

#### **(Action Taken to Address Abuse)**

**8. Sen. Wade Mark** asked the hon. Minister of Works and Transport:

In light of reports that a senior manager at the Port Authority of Trinidad and Tobago has abused the use of a Port Authority credit card facility, can the Minister advise as to the following:

- (i) whether this report is accurate; and

- (ii) if the answer to (i) is in the affirmative, what action is being proposed to address the issue?

**The Minister of Works and Transport (Sen. The Hon. Rohan Sinanan):**

Thank you. Madam President, it was discovered that the senior manager had used the Port Authority credit card facility for personal purchase, the sum of which was repaid when the monthly statement was received. Although there was no official policy in place at the Port Authority for the use of the credit card facility, it was expected that the financial regulation governing the proper use of public funds would be adhered to by the authority's cardholder. All authorized cardholders are at the senior level of the organization. As a consequence, an investigation was conducted into the matter and the senior manager was requested to provide an explanation for his action.

The findings of this investigation were referred to the Board of Commissioners of the Port Authority for consideration and the necessary action. On the recommendation of the HR committee of the Board, a warning letter was issued to the senior manager exonerating him to desist from using the card in that manner in the future. *[Interruption]* No. A strict corporate credit card policy was implemented, therefore, for the guidance of all authorized credit card holders at the Port. Unfortunately, this did not exist before.

**Sen. Mark:** Madam President, can the Minister indicate when this strict credit card policy was implemented since none had existed prior?

**Sen. The Hon. R. Sinanan:** This was implemented immediately after this was discovered. Thank you.

**Sen. Mark:** Could you tell this honourable House when was this matter discovered?

**Sen. The Hon. R. Sinanan:** Madam President, I will have to get the exact date of

this incident and a flow as to exactly when the investigation was conducted and when the Board took the decision, and again, I can make that available to the hon. Senator.

**Madam President:** Sen. Mark.

**Sen. Mark:** Madam President, through you, can the hon. Minister indicate whether steps have been taken by the manager to inform all the personnel who have access and use of credit cards issued by the Port Authority that they ought to follow, strictly, the new credit policy, credit card policy? Has a circular been issued to those managers? Could you tell us?

**Sen. The Hon. R. Sinanan:** Madam President, I do not know if this answers the question, a strict corporate credit card policy was implemented thereafter for the guidance of all authorized credit card holders at the Port Authority. Of course, that would have been passed down to the management who actually used the credit card. There is now a policy in place as to the use of the Port Authority credit card for the managers who are issued these cards. Thank you.

**Sen. Mark:** Madam President, may I?

**Madam President:** Yes.

**Sen. Mark:** Can I ask the hon. Minister, what was the sum of moneys that would have been expended by the gentleman in question, or by the individual, I should say, in question, prior to its discovery? Can you tell us, what was the sum that was used and repaid by the individual concerned?

**Sen. The Hon. R. Sinanan:** Madam President, I do not have that figure. However, if the hon. Senator poses that question I can request the answer from the Port Authority and furnish him with that. If you could pose a question at the next sitting and you will definitely get that.

**Caribbean Airlines  
(Details of Contract)**

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

In view of reports that Caribbean Airlines had to contract Intercept Security to cover aviation security for six months following Amalgamated Security Services' default on their contract, can the Minister advise whether Caribbean Airlines has formally terminated the contract with Amalgamated Security Services?

**The Minister of Public Administration and Minister in the Ministry of Finance (Sen. The Hon. Allyson West):** Thank you, Madam President. [*Desk thumping*] Madam President, I am advised that Caribbean Airlines Limited terminated the contract to which the question refers with Amalgamated Security Services on the 15<sup>th</sup> of February, 2019.

**Madam President:** Sen. Mark.

**Sen. Mark:** Can the hon. Minister indicate which agency has now replaced that agency whose contract has been terminated?

**Sen. The Hon. A. West:** Madam President, the challenge with Amalgamated Security Services which led to the termination was that they did not have sufficient officers to cover the span of work so when the matter went back out for tender the work was divided into three main elements and those services, the contract for those services have been awarded to Amalgamated, to Intercept and to a third service provider whose name is G4S.

**Madam President:** Sen. Mark.

**Sen. Mark:** Madam President, can the Minister indicate to this honourable Senate what would have been some of the factors which would have led to this contract being issued in the first instance to Amalgamated Security having regard to the fact

that they were not prepared for the job? Can you share with the Senate how this occurred? What are the factors?

**Sen. The Hon. A. West:** Thank you, Madam President. Madam President, in the normal course of things, CAL went through a proper procurement process. Bids were submitted by several companies, Amalgamated Security Services came out at the top in that process. The recommendations were made to the board, the board accepted the recommendation and Amalgamated Security Services was awarded the contract. There was a transition period for them to be trained to provide the services required by Caribbean Airlines but during that period they began losing officers. So by the time the contract was about to start, they did not have the requisite number of officers just to fulfil the full terms of the contract.

**Telecommunications Services of Trinidad and Tobago  
(US Dollar Sales and Expenses)**

**46. Sen. Taharqa Obika** asked the hon. Minister of Public Utilities:

As regards the Telecommunications Services of Trinidad and Tobago (TSTT) for the period 2016 to 2018, can the Minister advise as to the following:

- (i) the total US dollar sales earned annually by the company; and
- (ii) the total US dollar expenses incurred annually by the company?

**The Minister of Public Utilities (Sen. The Hon. Robert Le Hunte):** Madam President, the majority of TSTT's revenue is generated locally in TT dollars. The company generates a minimal amount of revenue in US dollars, approximately US \$1.8 million through its courier and enterprise lines of business. The US dollar expenses, both capital and recurrent, incurred annually by TSTT for the period 2016 to 2018 were: 2016, US \$130 million; 2017, US \$121 million; and 2018, US \$145 million.

**WHISTLEBLOWER PROTECTION BILL, 2019**

Bill to combat corruption and other wrongdoings by encouraging and facilitating disclosures of improper conduct in the public and private sector, to protect persons making those disclosures from detrimental action, to regulate the receiving, investigating or otherwise dealing with disclosures of improper conduct and to provide for other matters connected therewith [*The Attorney General*]; read the first time.

**TRINIDAD AND TOBAGO REVENUE AUTHORITY BILL, 2019**

Bill to establish the Trinidad and Tobago Revenue Authority and for related matters [*The Minister of Finance*]; read the first time.

**AUSTAL LIMITED****(TABLING OF PROCUREMENT CONTRACT)**

**Sen. Wade Mark:** Madam President, I beg to move the following Motion standing in my name:

*Whereas* in August 2019 the Government of the Republic in Trinidad and Tobago concluded a TT \$580 million contract, originally estimated at TT \$460 million, with the Australian shipbuilding company, Austal Limited for the purchase of two Cape Class Patrol Boats for use by the Trinidad and Tobago Coast Guard;

*And whereas* there appears to be ambiguity concerning the price paid in 2019 when compared to similar vessels purchased in 2015;

*Be it resolved* that this Senate call on the Government to table, within fourteen days, the contract entered into with Austal for the procurement of the two Cape Class Patrol Boats.

Madam President, I want to say from the very outset that I intend to make an amendment to the resolution and I will do so during my presentation. Madam

President, it is now very clear to all of us that there has been what can only be described as confusing information surrounding this particular transaction as it relates to what is called the actual price of this very important vessel that we are dealing with at this level as we speak. Madam President, this matter that is before us stems from a situation where the Government bought these vessels, or arranged rather for these vessels to be purchased and what has occurred is the following. I would like, Madam President, to address what appears to be the real or actual price of these two cape class vessels, because as I said, Madam President, there does appear to be some conflicting information concerning the actual price of these two cape class patrol boats.

Madam President, based on a contract document involving Austal and the National Australia Bank in December of 2015, the cost of those two vessels, cape class 58-metre vessels which were rolled out and went into operation at the end of 2017, or thereabouts, totalled US \$45 million. Two vessels purchased by the National Australia Bank amounted to \$45 million or AUD \$63 million or US \$22.5 million per vessel. These two vessels were chartered by the bank for use by the Australian or by—let me put it in another way, it was chartered by the bank for use by the Royal Australian Navy. Madam President, as it relates to these two vessels being purchased for use by the Trinidad and Tobago Government on behalf of the Trinidad and Tobago Coast Guard, we first received an announcement by Austal in July of 2018, and this was on their website where they indicated a price for these two vessels amounting to AUD \$100 million which, Madam President, equated to US \$70 million.

Madam President, we also had an announcement by an official from the Ministry of National Security in a *Newsday* article dated the 2<sup>nd</sup> of August, 2018.

Madam President, so that is the first conflicting price confusion that I want to draw to your attention. The second statement on this price of these two cape class patrol vessels came from, as I said, an official of the Ministry of National Security in this article of 2018, August. They told us in this article that it will cost the taxpayers US \$35 million each or a total of \$70 million for both, and I said it was reported in the *Newsday*. So that is the second area, Madam President, where we got information on this matter. Then, Madam President, there was a third statement on the price of these vessels and it came on January the 6<sup>th</sup> and 7<sup>th</sup>, respectively, 2019, in your “Mind Your Business” address to the nation by the Prime Minister who posted on the screen a price of some TT \$600 million. So that is the third element in terms of pricing and that was for the two vessels or the equivalent of US \$84.4 million, or the equivalent of AUD \$124 million.

Madam President, I would like you to bear in mind that the contract that has been officially signed between the Government of Trinidad and Tobago and Austal amounts to AUD \$116 million or the equivalent of US \$85 million. Madam President, this is another element of the confusion that we wish to bring to your attention, this contract was signed on the 16<sup>th</sup> of August, 2019, or thereabouts. And then we have the grand finale in terms of pricing confusion and that came on Friday the 18<sup>th</sup> of October, 2019, at approximately 2.00 p.m. when the Minister of National Security in a standing finance committee informed the country that the price of the two cape class patrol vessels amounted to US \$82million or US \$41 million each which is equivalent to AUD \$115 million and not the contracted price of 126—I said 116, it is AUD \$126 million as announced by Austal. So, Madam President, we have confusion emerging in terms of the real price of these two vessels. So the question we have to ask is, who are we to believe? Who is telling

the truth on these matters?

Madam President, I believe Trinidad and Tobago deserves to know to truth. Madam President, what we do know is that our country and the taxpayers are paying some \$300 million more for these two vessels than the people of Australia paid when they were charged in December of 2015, Madam President, US \$45 million for these two vessels, equivalent to AUD \$63 million or the equivalent of TT \$300 million. And we are being told, Madam President, that we have to pay, according to the Prime Minister in your “Mind Your Business” exercise, \$600million for the same identical vessels that were purchased by the Australia National Bank on behalf of the Royal Australian Navy.

So, Madam President, the question that we have to ask, why this big difference in pricing of \$300million? Is something involved? Is there something involved in this exercise that we do not know, Madam President? We are calling on the Government to come clean and explain to this country what has happened. Why this difference of \$300 million for the same two identical vessels that were purchased by the Australia National bank in 2015 on behalf of the Australian or the Royal Australian Navy?

Madam President, you know, when the hon. Minister of National Security addressed the Standing Finance Committee which, as you know, went public, the Minister muttered a price in a most confusing manner, and I ask everyone to go to the YouTube and retake in that episode. Madam President, the Minister, and I quote, stated:

The two vessels may have cost us \$41 million each or possibly both. So here it is the Minister of National Security is telling us, he in a standing finance committee which is on the *Hansard* record, that the boats, the Coast Guard vessels

would have cost us \$41 million each, which is when you add up those two you will get \$82 million. So there is some confusion here. So we have a price, Madam President, of AUD \$126 or the equivalent of US \$85 million between Austal and the Government of Trinidad and Tobago, and when the Minister is asked at the Standing Finance Committee he is on record as saying, and it has not been corrected, that each vessel cost Trinidad and Tobago US \$41 million; when you add up those two it is 82. Who is speaking the truth? We need answers from the Government on this matter.

Madam President, I have in my possession a recent media release from the Australian Department of Defence Industry indicating a price of \$80 million. Maybe the Minister will need to clarify for the Senate whether it is in US dollars or whether it is in Australian dollars. I think the Senate will look forward for some clarification from the Minister. Madam President, when that release was issued by this Department of Defence we were told that a new defence export facility was recently launched in Australia to promote Australian companies dealing with military equipment and supplies to foreign as well as local, that is Australia, and when they launched this facility two companies benefited; one by the name of CEA Technologies of Australia, they got \$90 million and the other one was the Government of Trinidad and Tobago, in care of Austal, for a sum of \$80 million. So the Government apparently has accessed or is about to access \$80 million from this export facility.

Now, Madam President, there is something called EFIC, I think that is the Export Finance and Insurance Corporation of Australia; they now have a new name but they still carry this acronym, EFIC. I think it is EFIC, I think, and it is export defence facility. Madam President, on August 03, 2019, the same company called

CEA Technologies secured a \$90 million Australian loan. As I said, Madam President, this was two days prior to the final contract announcement involving the AUD \$126 million or US \$85 million for these two cape class patrol boats or vessels for the Government.

**2.10 p.m.**

Madam President, I cannot overemphasize, but this is a very serious matter. We have to compare these two vessels that we are paying US \$85 million for, or close to TT \$600 million, with the same two identical vessels purchased by the Australian bank in December of 2015, at a price of AUD \$63 million, Madam President, or the equivalent of US \$45.4797 million, which boils down to \$22.74 million for each of those vessels. Madam President, what is even more alarming that I need to bring to your attention, is this: We are being told by the Minister of National Security, that it cost 41 plus 41, 82. We are being told by the Australians, based on a contract between Austal and the Government of Trinidad and Tobago, it is \$85 million. Madam President, who are we to believe?

Somebody dropped a package in my mailbox, and in this package I was shocked to see the following, which I want to share with you and this honourable Senate. I have in my possession a Cabinet Minute that was sent to me in my mailbox, and, Madam President, when I looked at this Cabinet Minute dated July 26, 2018, one part of it—in fact, Madam President, you know, people are getting a bit frustrated and because of their frustration they seem to be hitting out, and therefore things are coming to me, and I tell them to send more. Madam President, things are coming, and I want the hon. Minister to tell us today whether he is aware of the real price of this particular matter that we are dealing with here. Whether he is aware of the real price. What is the true price?

Madam President, my information tells me that the real price of this particular vessel that was agreed upon by the Government of Trinidad and Tobago was US \$89 million. May I repeat: The Government of Trinidad and Tobago agreed, based on a Cabinet Minute 286, for an approved price of US \$89 million, which is the equivalent of TT \$605 million. Madam President, who are we to believe? I can understand a difference of \$5 million, because remember, 41, we are told by the Minister of National Security, plus 41 is 82. So there is a difference of almost, in this Cabinet Note that I came upon, there is a difference of almost US \$8 million. Then we are told by the Australians, based on the contract between Austal and the Government of T&T, that the price for these two cape class vessels amounted to US \$85 million. So, on the one hand it is US \$82 million, according to the Minister of National Security. On the other hand, the contract says \$85 million, and when we come to the actual reality, what do we have in the actual reality? Madam President, you know what is the actual reality? This Government, in a Cabinet Minute dated February the 14<sup>th</sup>, 2019—and I want to read because this is a very serious matter. This is a matter that requires a criminal forensic investigation. Somebody is stealing the soul of the nation. Hear what the Cabinet Minute says:

Cabinet agreed to ratify the approval granted by the Acting Prime Minister—

- (a) the execution of two shipbuilding contracts between Austal Ships Limited and the Permanent Secretary, Ministry of National Security, on behalf of the Republic of Trinidad and Tobago, for the construction and delivery of two naval cape class patrol boats for use by the Trinidad and Tobago Defence Force, Coast Guard, valued at US

\$89,050,342.00.

Eighty-nine million, fifty thousand, three hundred and forty-two dollars, US.

Madam President, how can we explain this? How can a Cabinet agree to \$89 million when the contract that was signed between the Government and Austal is for \$85 million? Where did this \$89 million come from? You have to explain that to Trinidad and Tobago, Madam President. And do not come and tell me about maintenance. “Doh” come and tell me about maintenance is included here. It is not. And the Attorney General was asked to positively vet these two shipbuilding contracts. Madam President, may I indicate to you, that under the purchase price and payment in this Cabinet Note, it states, the total contract price—Madam President, hear the language, eh—the total contract price is TT \$605,542,325. The same price that the Prime Minister told the nation in “Mind Your Business”, \$600 million, the only difference is \$605 million, for two vessels that cost the Australians 300 million Trinidad and Tobago dollars. So where is the \$305 million going to? Where is this money going to? Madam President, I want to tell you in the event that the Minister seeks to tell us that it is for maintenance, and that is incorporated, let me just inform this honourable Senate, there is a provision in this Cabinet Minute that I am quoting here, that says “In-Service Support”. Madam President, it reads:

In addition to the design, build and supply of the vessels and the provision of integrated logistic support, the contract stipulates that Austal shall provide in-service support for a period of five years after delivery. That service is to be a subject of a separate agreement between the two parties. In that regard a subsequent note—which is a Cabinet Note—would be submitted for the consideration of Cabinet following the execution of the shipbuilding contract

in the event that the support agreement is not finalized, the price shall be set as indicated in the table.

So, Madam President, the Minister of National Security has to tell us, what is the value of this maintenance contract, what they call in-service support contract, which is a separate agreement, and it is going to be subject to a separate Cabinet Note. Trinidad and Tobago does not know what is the value of this separate agreement to maintain this ship or these two boats. It is a separate matter. Madam President, financing arrangements: Madam President, as we speak here I have all the evidence. I “doh” have to burden you. You go to the *Details of Estimates of Recurrent Expenditure for the Financial Year 2020*, you will see where the Government has in fact raised a bond. A bond, it is on page 112 of this document. They raised a bond under Item 56 of US 36 million at a rate of 4.25 per cent, and the payment of this bond is June 2026. So, it is here, the Government has raised a bond for US \$36 million to finance what is called the purchase of cape class patrol boats.

So, Madam President, when we look at what the Government has allocated thus far, and we need to understand what is going on here. EFIC has allocated a loan of up to \$80 million for the Government to access. I would like the Minister to tell us whether it is AUD \$80 million or US \$80 million? Madam President, what I can tell you from what I have before me, is that we, Trinidad and Tobago, and I am quoting from page 74 of the *Public Sector Investment Programme 2020*. I go to page 74. It says:

The Trinidad and Tobago Coast Guard—that is Item 144—“has recognised that a lack of appropriate assets and infrastructure, produces operational challenges. Therefore the focus moving forward is to provide

improved maritime operations and develop its bases and infrastructure. The TTTCG initiated the purchase of two (2) Naval Cape Class Patrol Vessels and the sum of \$161.7 million was expended to commence the design services and initiate construction of the vessel.”

Madam President, what this is saying is that the Government of this country has already expended TT \$161 million on these two vessels Madam President, it does not stop there. It does not stop there. You go to what is called the *Draft Estimates of Development Programme* for fiscal 2020, and it is also here, where the Government has allocated—Madam President, let me ask you to journey with me. I journey to national security on page 57 of this report, and what do I see? I see an Item 009, Acquisition of two Naval Patrol Vessels. In 2019, same figure, \$161, 666,300 spent. You know what they allocated for 2020? Another \$100 million. You know when you add up 100 million to 161, you get \$261 million. Madam President, what we are talking about is this, US \$36 million, when you convert that to our money is \$246 million. When you add the 261 to the 246, you get \$507 million. That money is available to pay off for what? Six hundred million dollars for the two vessels. And the Government has not as yet settled and agreed, I understand, or they may have done it, I may be wrong on this. They have a loan of up to \$80 million from EFIC, the Export Finance and Insurance Corporation, which has a new name, Export Defence Facility.

So, Madam President, when you add up all this, we are in the zone of close to \$700 to \$800 million, and these two vessels ought to cost this country no more than \$300million. Madam President, what is going on? What is going on? We need answers from the Government of Trinidad and Tobago. They must answer to the country, why these two vessels cost the Australian Government and people TT

\$300 million, same identical vessels, and it is costing us in Trinidad and Tobago \$605 million? We are asking the question, where is the \$305 million going? Why the conflicting information? Why did the Minister of National Security, who is on record as saying that these two vessels cost us US \$82 million? Did the Minister of National Security not know that on the 16<sup>th</sup> of August, 2019, he spoke—the hon. Minister that is, Madam President. The hon. Minister spoke in the Standing Finance Committee in the month of October this year, the agreement was signed in August of this year. Did the Minister not know at that material time, he is the Minister of National Security, his Permanent Secretary is the one who signed off, did the Minister not know that the contract price that was signed by his Permanent Secretary was AUD \$126 million, which is equivalent to US \$85 million? Why did he go on record, and up to this time he has not corrected the record, that it is \$41 million for each vessel, giving you \$82 million? Why?

And, Madam President, even if we want to be generous and charitable, the Minister is saying \$82 million. The contract is saying US \$85 million, and I have a Cabinet Note that I told you is available to everyone—I want to make this available to every Member of this Senate, and the media. Madam President, if this is telling me that the Government of this country has approved—this has been approved. They approved this, US \$89 million. How can a Cabinet have a contract for \$85 million?

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

**Sen. W. Mark:** Yes, Madam, thank you very much. How can a Cabinet have a contract signed between Austal and themselves for US \$85 million, and the Government goes to Cabinet and approves US \$89 million? No, they have to come clean and tell us what is going on.

Madam President, I intend to move an amendment to my Motion, because I am not satisfied with just a contract between Austal and the Government of this country on behalf of the Coast Guard. The people are demanding that the Government must table in this Parliament the loan agreement between EFIC, that is the Export Finance and Insurance Corporation of Australia, to see how much money this Government has borrowed from EFIC. We want to know the terms and conditions, the rate of interest, the duration of the loan, the amount of the loan. We want to know this, Madam President, and therefore, I am amending my resolution to read, and I will get the proper guidance from the Clerk, to have this properly corrected and circulated:

*Be it resolved* that this Senate call on the Government to table within 14 days, the two contracts entered into with Austal and the Export Finance and Insurance Corporation, EFIC, now known as the Export Finance Australia, for the procurement and financing, inclusive of all associated charges of the two Cape Class Patrol Boats.

I am asking for an amendment to my resolution so we incorporate not only the contract between Austal and the Coast Guard, but we want the contract between EFIC and the Government of Trinidad and Tobago. Madam President—

**Madam President:** Sen. Mark, very quickly, do you have that reduced in writing? Normally the amendments have to be—

**Sen. W. Mark:** I am going to reduce it in writing.

**Madam President:** Because you know there is a procedure for it as well and your time is running out.

**Sen. W. Mark:** Yeah, I am going to make that available.

**Madam President:** Okay, go ahead, Sen. Mark.

**Sen. W. Mark:** So, Madam President, all I am saying is that the people need answers. We need answers. Madam President, you realize today I have not cast any aspersions.

**Hon. Senator:** Really?

**Sen. W. Mark:** I have not cast yet, yet, any aspersions on anybody. All I am asking for is clarification on behalf of the people of T&T. Three hundred million dollars is unaccounted for, and we need to get some accountability from the Government. I am hopeful that when the Minister of National Security speaks, he can explain to this country why this gap. Why this gap.

Madam President, are we guinea pigs? Is the Australian “tiefing” our heads? Are the Australians taking us for a bunch of fools, that they can charge us \$300 million more for two vessels that they sold themselves for \$300 million? I think not. I think that there is something more in the mortar than the pestle, and I serve notice that this matter is not going to end here. Madam President, with these few words, I wish to beg to move. Madam President, I beg to move. Thank you very much.

**Madam President:** Sen. Mark, with respect to your proposed amendment, may I suggest that I put the original Motion now, which has to be seconded, and then when another speaker on your side, they can propose the amendment. By that time you will have it reduced in writing and we will proceed with it. Yes?

**Sen. W. Mark:** Thank you.

**Madam President:** Hon. Senators, I will now—no, the Motion has to be seconded, Sen. Mark.

**Sen. S. Hosein:** Thank you very much, Madam President, I beg to second the Motion of Sen. Mark and reserve my right to speak later on in the debate.

**Madam President:** The Motion has been seconded by Sen. Hosein. Hon. Senators, I will now propose the question for debate.

*Question proposed.*

**The Minister of National Security and Minister in the Office of the Prime Minister (Hon. Stuart Young):** [*Desk thumping*] Thank you. Thank you very much, Madam President. Madam President, I must say at the outset that I find it quite disturbing what I have heard for the last 40 minutes. Disturbing not from the point of view of there is any confusion of fact or anything whatsoever for the Government to have to answer the desperate cries at the end of a submission, at the end of a debate, to say I am not casting aspersions, but then go on to cast aspersions at the Australians who have assisted us in a time of need, and to say that the Australian Government and people are taking us for fools. Well, I put it very clearly here, on the *Hansard* in the Senate today, that the Australian Government and people are doing no such thing, and this Government takes grate umbrage to any allegation, accusation, that is being cast, and aspersions being cast, not at us, but at the Australian people and the Australian Government at the outset.

I think what sums up Sen. Mark, and he has of course retreated from the Chamber, what sums up his whole presentation, is one of confusion, and confusion of thought, even during his presentation he referred to EFIC, and he said EFIC has now been renamed something to do with defence. EFIC was renamed in 2019 to Export Finance Australia, and I want the people of Trinidad and Tobago to know that EFIC is a government backed export finance Australian company, and it is part of the Government apparatus in Australia. And I will come to why it is that the Government of Trinidad and Tobago is relying upon EFIC for loan financing in the current circumstances, compared to what happened in the period of 2010 and

2015. Because you see, Madam Speaker, one of the ways you can protect—

**Hon. Senator:** President.

**Hon. S. Young:** Madam President. One of the ways you protect against corruption—and I want the people of Trinidad and Tobago to take note here. One of the ways you protect against corruption in the advancement of a contract is to have an independent overseer. EFIC in this situation is an independent overseer. EFIC is the company, it is the bank that will be disbursing the money to Austal. They will only disburse money to Austal if EFIC is satisfied, one, that it is value for money, and, two, that the money should be disbursed. And I will speak later on about what the Government did between 2010 and 2015 with the OAS contract, which was the largest infrastructure contract in Trinidad and Tobago, estimated at \$7 billion, and why the UNC Government disbursed cash and did not take any loan financing for it, and many other contracts where they refused to have any independent financier, or any independent overseer, and EFIC has nothing to do with Trinidad and Tobago.

**2.40 p.m.**

At the outset I will also say that when one enters into an initial discussion with respect to cost, there is a base price. When you start to add on certain items or turn certain wheels and make certain adjustments, the price either goes up or it goes down. It is the same thing like anyone ordering a car, it starts off with a base price, you then say well I want a sunroof, I want this type of ignition, I want leather seats, the price begins to rise. And that is all that it is in this instance. There is absolutely nothing untoward.

Furthermore, I also say that the price that I gave to the people of Trinidad and Tobago during the Standing Finance Committee of the budget is the correct

price and it is US \$41 million per vessel. We have absolutely nothing to hide. The additional items—so each vessel and I am saying it here for the last time, the final price after negotiation and after the Trinidad and Tobago Defence Force, through its Coast Guard, added the type of communication system, and let the people know, for many years Trinidad and Tobago's Police Service, defence force and all its law enforcement agencies, the fire service, prison service, used the Motorola system for service. Lo and behold, in or around 2014, and we still cannot get an explanation, there was this sudden change to the Harris system under the UNC Government. And it meant that now everybody in the prisons, in the fire service, in the police service, in the coast guard, in the defence force, had to change their telecommunication system, their walkie-talkies as lay people may know it, from Motorola that had been used for decades, to now the Harris system. Australians use the Motorola system.

So one of the additional costs that took us up from the original estimated base price, is because we have to change to the Harris system. And there were a number of other things to be put onto the vessel to make it a better vessel for the waters of Trinidad and Tobago that ended up in a contract being signed by the Government of Trinidad and Tobago, the Permanent Secretary of the Ministry of National Security along with Austal being overseen by EFIC in Australia, at a price of US \$40.9 million per vessel. And then there is a delivery cost, because you see you are not comparing apples and apples, and Sen. Mark well knows this. There is no delivery cost to sail a vessel from Austal in Australia to the border patrol or the Australian Navy in Australia. Lest he has forgotten, Australia is thousands of miles away from Trinidad, so there is a delivery cost to deliver the vessels to Trinidad and Tobago of US \$2,000,000 and we negotiated that

downwards.

There is also something called “logistics support” and he is taking in front in his contribution, Sen. Mark, saying “Don’t come and tell me about maintenance, et cetera”. But the reality is, we have negotiated something called logistic support for the period of a year which are spares and for persons to be here to ensure that the vessels are working properly in the first year, and that is also included at a cost of US \$2.7 million. So all of the old talk about that the Cabinet Note or the Cabinet Minute talks about, that there will be an in service support for five years and a Cabinet Note to come, there is nothing untoward with that, there is nothing contradictory to the contract that was signed for the people of Trinidad and Tobago, so the cost per vessel is US \$40.9 million.

Madam President, in the effort to mislead the people of Trinidad and Tobago, I am certain that Sen. Mark got his information with respect to the cape-class vessels built in 2015, or the contract signed in 2015 for delivery in 2017 of two cape-class vessels for the Australian defence and he quotes: \$63 million, and claims it is Australian dollars. It is not Australian dollars. And I am sure he did a Google, because if you Google it, anybody googling it, I invite all of Trinidad to go now and Google and read Wikipedia, which is obviously where he got it from, in that article, “A” before a dollar sign means Australian. When there is no “A” before the dollar sign they are referring to US dollars. So in that same article they referred to Australian dollars using an A and a dollar sign, but when they say \$63 million, it is US dollars. So at the outset they attempt to mislead the population of Trinidad and Tobago through this Senate in saying that it is \$63 million for two cape-class vessels, it is false, it is typical of Wylie and Cambridge Analytica-type information. [*Desk thumping*]

And then secondly, I want to put the people of Trinidad and Tobago on notice, when he made this false cry and this scream, this requires a criminal forensic investigation. By all means you can investigate from here to the moon and back on this, there will be nothing untoward to be found. [*Desk thumping*] But I remind the people of Trinidad and Tobago of a little historical information that I myself did not know, but I was reminded about by my leader recently. When a previous PNM administration went through a transparent tender process, a competitive tender process to get two offshore patrol vessels to protect our borders, at that time go back and check the record and you will see the same Sen. Mark, after it went through a competitive tender process and two offshore patrol vessels were contracted to be purchased from Vosper Thornycroft, which was later bought out by BAT in United Kingdom, the same Sen. Mark screamed, God alone knows where, and said, he is writing to the serious crime office in the United Kingdom, investigate—he is laughing now. But this is their modus operandi. He should ask that same office or the now National Crime Agency to investigate his colleagues, or his previous colleagues who are now before the criminal courts to deal with fraud in relation to legal fees. See if that is not traced back to Anand Ramlogan and Gerald Ramdeen. Why they do not ask the National Crime Agency to see where those fees, the \$1.4 billion and the 10 per cent tax that was put on, where that ended up. But no this is the modus operandi of the UNC at the time—

**Madam President:** Minister, no, no. Minister, I need to caution you about matters that are before the court. Okay?

**Hon. S. Young:** Thank you very much. This is the modus operandi as Sen. Mark and the UNC. So on this occasion, when in the most transparent matter the Prime Minister told the country from day one at every step of the way that I will show in

a short while, what was being done on behalf of the people of Trinidad and Tobago to procure two vessels for the Trinidad and Tobago Coast Guard, what happened? The UNC wrote to the Australian Government, wrote to the Opposition as well as the Attorney General's Office to ask for an investigation. As I say, this is straight out of their play book. But I want to remind the people of Trinidad and Tobago through you, Madam President, on Friday the 11<sup>th</sup> of January, 2019, in the other place, the hon. Prime Minister made a statement to the House. This is in January of this year and this statement will remind the people of Trinidad and Tobago how every step of the way these two cape-class vessels came to be and how the Government was transparent. Unlike—and we will get to the Chinese vessel—when stumbling on a dock somewhere in China, a former Prime Minister saw a boat and literally, literally said, “Ah want one of those,” and that, “gih meh one of those” and that was procurement UNC style.

Let me tell the population of Trinidad and Tobago, stumbling on a dock, let me tell the population of Trinidad and Tobago how we came to get these two cape-class vessels. During the margins of the Caricom leaders meeting in July 2017, the hon. Julie Bishop, MP, who was then the Minister of Foreign Affairs of Australia invited our Prime Minister of Trinidad and Tobago to visit Australia during the last quarter of 2017. However, he could not go at that time. Then, it is well known, Madam President, that two of the best international shipbuilders and in particular fast ferry builders are Incat and Austal from Australia with whom we in Trinidad and Tobago already have developed commercial relationships. In fact, we are very familiar with Incat and Austal vessels. Both the *Trinidad and Tobago Express* and the *Trinidad and Tobago Spirit* are Incat fast ferries. The water taxis servicing the route between Port of Spain and San Fernando are Austal vessels. The Trinidad

and Tobago Coast Guard has six fast patrol vessels that are Austal built and I pause there.

During the period of 2010 to 2015 when this country took delivery of those six Austal fast patrol vessels and they were being utilized in our waters to secure the same borders that they were a lot less problems in during that period of time, let the country know that the UNC did not maintain the fleets, they allowed those vessels to be run-down and when we came in as an administration, much to my embarrassment as a citizen of Trinidad and Tobago we found those Austal vessels parked up at Hart's Cut in Chaguaramas at a coast guard base. Some of them now infested with vermin because they could not be used. And when I asked the coast guard, why these vessels were not maintained, you need to patrol the borders, we are having illegal firearms coming across and narcotics coming across our maritime borders, what happened? The coast guard told us that they were not provided with the money nor the wherewithal to engage in new maintenance contracts for those Austal vessels.

So the first question the people of Trinidad and Tobago need to ask themselves is, why the UNC cancelled the OPV contracts and did not allow those vessels to come in here but keep the helicopters to fly from Philippines to Port of Spain. Two, why did they not maintain the existing coast guard vessels that were made to patrol our borders, the six foot Austal Patrol Vessels? Why they did not give the coast guards the wherewithal to renew the maintenance contracts for those vessels? Ask yourselves people of Trinidad and Tobago why those actions by the UNC Government were taken to frustrate any proper law enforcement being done on our seas in Trinidad and Tobago. You want to talk about vessels, let us talk about the Chinese vessels.

And then I put on the record as well, that the only time the UNC rush to get marine vessels to give to the coast guard was coming up to the 2015 election. And it started as I say, stumbling on a dock somewhere in China and ordering a wholly inappropriate boat, “gih meh one of those”. And I subsequently found out by an advisor on that trip, it was not “gih meh one”, it was give me two. But fortunately by the time they got back to Trinidad and there is some sobriety on a plane or maybe when they got here, the decision was taken to only get one. But that is procurement UNC style. And the country did not know until the vessel was arriving in Trinidad or about to arrive that that is what happened.

They then rushed to purchase six Damen vessels. I want everyone to listen. They purchased and they boast about it, but we got six Damen vessels for the Trinidad and Tobago Coast Guard. Let the people of Trinidad and Tobago know now. The newspaper report that was published recently is true. So the six—the procurement via the UNC style and we did not call for no criminal forensic investigation, but bet your best dollar, Madam President, the international authorities, not the Trinidad and Tobago authorities, the Dutch authorities are conducting a criminal investigation and a forensic investigation into the acquisition of the Damen vessels by a UNC Government. [*Desk thumping*] Not Trinidad and Tobago, the Dutch Government and the Dutch law enforcement authorities are investigating the United National Congress’ procurement of six Damen vessels. And we will hear the end of that, the hundreds of millions of dollars more that were purchased and where the money went. Because you see, in this instance not a cent more of Trinidad and Tobago taxpayer money is being sent than the absolute value of those two Austal cape class vessels.

So to get back to the story as to how Trinidad and Tobago ended up in a

contractual arrangement with an Australian company called Austal for the purchase of two cape class vessels and the financing being done by an Australian Government organization called EFIC who we have a good credit rating with because we used EFIC to purchase the previous Austal fast ferries as well as the fast ferries between the water taxis between San Fernando and Port of Spain. So we had good credit ratings. And, of course, EFIC are the ones who will disburse the money to Austal. EFIC are the ones who will make sure the vessels are being built according to spec. They will not disburse the money to Austal unless it is value for money and unless it is properly built. And that is the protection that this Government took for the people of Trinidad and Tobago, but it is not only that.

So to get back to the story, at CHOGM in April in London, the Commonwealth Heads of Government Meeting in London, April 2018, both Minister Dennis Moses, Minister of Foreign and Caricom Affairs and the Minister in the Ministry of National Security, as well as the Prime Minister met in the margins with the then Australian Prime Minister, Mr. Turnbull and the Australian Minister of Foreign Affairs, Ms. Bishop and the conversation in the margins was that Trinidad and Tobago is interested in purchasing two fast ferries. As I said, our previous fast ferries were from Incat and we have Austal vessels. And the Australian Prime Minister at the time said that they would assist Trinidad and Tobago in getting these vessels. And, Madam President, right there and then the Australian Prime Minister agreed that Australia would do what it could to assist. And, Madam President, we are grateful. As a people of Trinidad and Tobago we are grateful, as well as the Government, we are grateful. And the Prime Minister Turnbull then further informed Minister Moses and the Prime Minister of Trinidad and Tobago that the Australian Government had recently taken a decision to

establish a specific billion-dollar fund, a Defence Grant Fund for the financing of the purchase of military equipment from Australia and that Austal-built naval military and defence vessels and the purchase of such an Austal military vessel would qualify under this fund.

So you see it is the Australian Prime Minister at the time who said, listen Australia has just declared a new defence fund and if you purchase naval vessels from Austal in Australia you would qualify for this fund and it is EFIC who will disburse the fund. That is the birth, that is the genesis of this. And then in May 2018 the Prime Minister led a delegation, including Minister Moses and myself, to Australia and China. Whilst there in Australia, every single day when we went to any meeting with any entity immediately thereafter, Madam President, and out of the Office of the Prime Minister a media release was put out, including photographs of who we were meeting with, because you see, that is transparency.

So the Prime Minister leading his delegation I made sure on a daily basis to tell the people of Trinidad and Tobago I have met with Austal, these are the people I have met with, these are the discussions. I met with Incat, these are the people I met with, these are discussions. I have met with EFIC because we met with the executives at EFIC when we were in Australia to tell them we intend to seek financing from them for two fast ferries and for these cape-class vessels. Again, published. It is there on the record, it cannot disappear from the record.

So contemporaneously whilst the Prime Minister is conducting the nation's business he is telling the nation thousands of miles away who he is meeting with and what about. That has never happened. In 2010 to 2015 that did not happen, it could not happen because you cannot say I was on a Chinese dockyard and I say, "gimme one of these". You cannot tell us up to now who negotiated with Damen

for the vessels and where the money went, which you had the audacity to come once again because there is nothing. I understand acts of desperation, you know, you can see it a mile off.

So there is nothing to hold on to. There is nothing where with any sufficiency of evidence or any reality of situation or factually they can point to the PNM now, from 2015 to 2019 going into 2020 and say look that is a corrupt transaction. So today it is a back track and a back pedal, I “eh” cast no aspirations, maybe the Australian people take us for fools, but I need to know the price. The price was stated and the prices before with the estimates and as we went through it leaving the coast guard and the public servants to negotiate and then verifying it through people like EFIC that this is the correct cost. We came with the final cost of US \$40.9 million per vessels there is a delivery cost and a cost for something we called logistics support, which is spares and parts for the period of a year for the provision of these things.

Madam President, in Australia in May 2018, Minister Moses, the Prime Minister and myself met with the then Prime Minister, Prime Minister Turnbull, the then Minister of Foreign Affairs, Ms. Bishop as well as the Minister of Trade and Industry for Australia. And again the discussions were, how we can access this defence fund and the Prime Minister of Australia, I can be corrected by Minister Moses if I am wrong, told us we would be the first country to access this fund but there are some islands in the South Pacific that were also looking to get the cape-class vessels.

We toured a cape-class vessel when we were there but none of us are experts, we do not take it amongst ourselves. So what did we do as soon as we got back to Trinidad? We asked the then Chief of Defence Staff who was a former

Commanding Officer of Trinidad and Tobago Coast Guard to take an expert from the coast guard and to go down to Australia, to go and look at the cape-class vessel, to interrogate the cape-class vessel and to come back and advise us in Trinidad and Tobago. Pause. As soon as the Prime Minister got back to Trinidad, as grueling a tour that was, the next day he went before the public of Trinidad and Tobago, in a press conference, with the media sitting there that they can ask any question and he told the people of Trinidad and Tobago what it is he had done, where he had been, what we were looking to do to get these vessels.

And during the period of June 24, 2018, to July 01, 2018, Madam President, a two-member delegation from the Trinidad and Tobago Defence Force, TTDF, visited Australia on behalf of the Government and the people of Trinidad and Tobago. The delegation comprised Rear Admiral Hayden Pritchard, then Chief of Defence Staff, as I said who is a former commanding officer of the Trinidad and Tobago Coast Guard, and Lieutenant Commander Rajesh Boodoo, Engineering Officer at the Trinidad and Tobago Coast Guard. The purpose of their visit was to conduct an assessment of Austal's cape-class patrol boat and to determine its suitability for use by the Trinidad and Tobago Coast Guard. Focus was placed upon the vessel's sustainability and cost-effective maintenance which would bring forth optimum utilization. The Trinidad and Tobago Defence Force produced a report, dated July 03, 2018, on the cape-class patrol vessels.

So these two officers put it in writing, they produced an independent report and found that the vessel, quote:

...would be quite appropriate for operation within the Trinidad and Tobago Coast Guard.

And it was recommended that two cape-class patrol vessels should be

acquired as they could contribute significantly to and enhance Trinidad and Tobago Coast Guard operations.

Madam President, coming back from that, the Prime Minister and Cabinet then appointed a Cabinet Evaluation Committee to review the proposals received from Incat and Austal. Again we told the population about this at the time in June 2018. I remind the population that the composition of that Committee was: the hon. Stuart Young, the hon. Major General (Ret'd) Edmund Dillon, who was then the Minister of National Security; I was the chairman; Sen. The Hon. Dennis Moses, Minister of Foreign and Caricom Affairs and Minister in the Ministry of National Security; Sen. The Hon. Robert Le Hunte, Minister of Public Utilities; Colonel Retired Lyle Alexander, Chairman of the Port Authority; Mr. Stephen Gardiner, Deputy Chairman of NIDCO; Mr. Marvin Gonzales, Director Legal Services at Ministry of Works and Transport; Captain Singh, Deputy Director and Technical Head, Maritime Technology Cooperation Centre at UTT and Mr. Demi John Cruickshank, a Tobago businessman. And that Committee met with Austal and Incat, negotiated with them, interrogated them as to the type of vessels, what would be best, et cetera, and then made recommendations to Cabinet.

After the recommendations were made to Cabinet and Cabinet accepted that they should buy two fast ferries, one from Austal, one from Incat and a number of patrol vessels from Austal, what then happened, we did not leave it there we then set up another Committee to go and negotiate the best possible prices for the people of Trinidad and Tobago. And that Committee was as follows: Mr. Herbert George, Chairman of NIDCO; Mr. Stephen Gardiner, the Deputy Chairman of NIDCO; Mr. Steve Garibsingh, Acting President of NIDCO; Ms. Tara John, Senior Legal Officer of NIDCO; Mr. Demi John Cruickshank, businessman; Colonel

Retired Lyle Alexander, the Chairman of the Port; Mr. Waqa from UTT who is a Maritime expert; Mr. Marvin Gonzales, Director of Legal Services at Ministry of Works and Transport. We did not stop there. We did not hire the local lawyer who is in all the transactions and I am sure one of my colleagues will talk about. Right? We hired a Mr. Andreas Silcher, a partner at Haynes and Boone CDG, LLP of London, United Kingdom, an expert in Maritime matters. Again, an independent person with no strings and no ties. And that person, he is the one who then negotiated on behalf and assisted with the legal expertise needed to protect the people of Trinidad and Tobago. Not like a Ramdeen, not like an Anand Ramlogan, not like the others who sit on that side. This was an expert, this is somebody who is recognized and that is what this Government did to protect the people of Trinidad and Tobago. Coming out of that preliminary prices were agreed, orders were placed.

And as I say, Madam President, I will take the opportunity just to recirculate a copy of the Prime Minister's statement dated the 11<sup>th</sup> of January, 2019, to put it once again on the record how transparent these transactions were. And I feel sorry for them, I feel sorry for them that they have to try and look all over the place to find something untoward, to find some questionable transaction. It is not going to be this one.

Let me explain, Madam President, with the time that I have left, what it is and why it is that this Motion was really brought and to remind people the difference between the transaction that we are looking at today that could stand up to any scrutiny and the transactions of past. As I say there is now an international forensic criminal investigation, the same type being called for into the procurement of the Damen vessels during the period of 2010 to 2015. Fact, not by the

Government of Trinidad and Tobago, by another sovereign government. Fact, the Chinese vessel procured on a stumbling stupor on a Chinese dockyard, “ah gih meh one of those, gih meh two ah those”. Fact, irrefutable fact.

Now, I want to talk to the people of Trinidad and Tobago about the procurement of two helicopters by the UNC Government. Madam President, the people of Trinidad and Tobago need to know that in the period 2013 to just before the election in 2015, the UNC Government saddled them with the purchase of two helicopters; one—and worse yet, in the contracts that the expert attorneys, you want to bawl names, the expert attorneys including the then Attorney General Anand Ramlogan negotiated for the people of Trinidad and Tobago were contracts with no termination clause. How could you enter, I ask all of the Independent Senators who are members of the Bar, how can you ever enter into a commercial contract with no termination clause. And you know what happened, Madam President? Two helicopters, one for the whole term was grounded in a hanger in Delaware because it could not be flown from Delaware to Trinidad because they could not find the papers, the certification for the helicopter.

When we interrogated that it was a rushed contract, take out the termination clause out of the contract, saddled the people of Trinidad and Tobago to be paying over US \$200,000 per month for a helicopter grounded in Delaware that we never got use of. UNC style. The next helicopter that made it to Trinidad, a few months after it made it to Trinidad, lost certification. Again, no termination clause, people of Trinidad and Tobago could not get out of it. That is the procurement and contract UNC style. [*Desk thumping*] Not PNM style. No maintenance contracts. So recently we have had to settle the litigation because we refused to pay and we figured let us fight it and see what we can recover for the people of Trinidad and

Tobago. So we never got use of those two UNC helicopters. But the people of Trinidad and Tobago paid millions of US dollars.

Let us talk about the OAS contract. And I want to remind the people of Trinidad and Tobago and why the OAS contract because it was the single largest infrastructure project in Trinidad and Tobago, \$7 billion. The Government of the time, the UNC Government decided to fund it via cash, and the reason for that is because they did not want any oversight over the disbursement of the \$7 billion.

**3.10 p.m.**

Meaning, that if you went to IDB, you went to the IFC or any independent bank, they would appoint an engineer, a quantity surveyor, to protect their interest to make sure that every request for payment is a proper request. The UNC did not do that with \$7 billion cash of our taxpayers' money. And worse yet, OAS, the contractor that they found, went into bankruptcy in Brazil, swirled in criminal investigations and forensic investigations that they liked, and what happened, Madam President, a decision was taken on Friday before elections. Elections in 2015 were on the 7<sup>th</sup> of September, work it backwards, Sunday is the 6<sup>th</sup>, the 5<sup>th</sup>, on the 4<sup>th</sup>, Friday the—

**Sen. S. Hosein:** Standing Order 46(1), please, relevance, Madam President. This is a Motion dealing with procurement of vessels.

**Madam President:** Minister, continue please. [*Desk thumping*]

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

**Hon. S. Young:** Thank you very much. [*Desk thumping*] The people of Trinidad and Tobago need to know, on the last working day before a general election, the UNC gave away their rights and took out the ability of the Government to terminate the OAS contract on the grounds of bankruptcy. No one with any

commercial “half ah brain” would do that, but if are you engaged in corruption you would, and that is what the UNC did. [*Desk thumping*]

The Curepe interchange. We came in as a Government and shaved \$300 million off the UNC price, \$300 million. Where was that money going to go? Tell the people of Trinidad and Tobago. Do not come here with falsehoods, mixing up US dollars with Australian dollars. Tell the people of Trinidad and Tobago where the OAS money went—

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

**Hon. S. Young:** How much?

**Mr. Vice-President:** Five more minutes.

**Hon. S. Young:** Thank you very much, Mr. Vice-President. And tell the people where the \$300 million for the Curepe interchange was going to go.

CDA leases, CDA leases, Mr. Vice-President, let Sen. Mark tell the people of Trinidad and Tobago, on the 6<sup>th</sup> of September, 2015, which is the Sunday night before a general election on Monday the 7<sup>th</sup>, how many leases were signed at the CDA giving our land away, and that continued. Some of the leases are dated the 7<sup>th</sup> of September, and when we enquired, it is three o'clock in the morning.

That is procurement and giving away state assets, UNC style. On the night before the general election into the morning of the general election, so on the 6<sup>th</sup> and 7<sup>th</sup> of September, 2015, that is what they did. But they come here today and they throw figures around, all of which have been answered, and we have answered what the price is, and they could go from here to high heaven and that will not change, and the people of Trinidad and Tobago will get the value for that \$40.9 million but I am waiting for the authorities and the international authorities to tell us about the Damen vessels they bought. I am waiting for them to tell us about the legal fees

and the bills and stuff that took place. We now know that on the last working day before an election, again, they tried to make sure that the people of Trinidad and Tobago got the short end of the stick with the largest infrastructure programme, construction ever in Trinidad and Tobago, \$7 billion.

The Beetham Wastewater, we are now saddled with over \$963million of cash, NGC cash. What is the National Gas Company doing building a wastewater plant in Beetham, 963, and it is now valueless because nobody could take it, to take wastewater to make it potable water or any water that we could use, and to build a pipeline down to Point Lisas will more than double the cost of the project. And that financier of theirs who got that contract, hid immediately in Panama and continues to hide in Panama. And what did we do as Government? On the eve of Christmas Eve, 23<sup>rd</sup> of December, 2015, I led the charge on behalf of the people of Trinidad and Tobago and froze \$180 million of SIS's—

**Sen. Obika:** Mr. Vice-President, point of order. Standing Order 46(1). It is totally irrelevant to the Motion being debated.

**Hon. S. Young:** You are irrelevant.

**Mr. Vice-President:** Please continue.

**Hon. S. Young:** Thank you very much. The truth hurts.

**Sen. Obika:** What nonsense you talking about?

**Hon. S. Young:** So \$180 million of their financier SIS's assets are frozen and were frozen. That is what we talk about. And every time I come here they scream and they shout these things, they personalize, but that has nothing to do with me and that is a young person's life. But you know what is obnoxious about him and about the UNC, is they continuously lie on the streets—

**Sen. Obika:** Standing Order 46(6), he said, Mr. Vice-President—

**Hon. S. Young:**—they lie in the Parliament, they lie in the Senate—

**Sen. Obika:** Sit down. The Member said—

**Hon. Senator:** “Eh-eh.” He is the President.

**Sen. Obika:** So 46(6) not good.

**Hon. S. Young:** You are obnoxious.

**Sen. Obika:** Shut your mouth “nah”. Have some respect. How he can—

**Mr. Vice-President:** Sen. Obika, Sen. Obika! Sen. Obika, sit down now.

**Sen. Obika:**—say obnoxious. Mr. Vice-President, he said—

**Mr. Vice-President:** Sit, sit. Sit down.

*[Sen. Obika remains standing and speaking]*

**Mr. Vice-President:** Sen. Obika, sit down.

What just happened in this Chamber will not happen again.

*[Sen. Obika still speaking]*

**Mr. Vice-President:** Sen. Obika. Sen. Obika, I am on my legs.

**Sen. Obika:** You shut your mouth “nah”.

**Mr. Vice-President:** All right, Sen. Obika, thank you very much. Please exit this Chamber now. *[Desk thumping]*

**Sen. Obika:** Mr. Vice-President, I—*[Desk thumping]*

**Mr. Vice-President:** Sen. Obika! Please remove him from this Chamber. *[Desk thumping]*

**Sen. Obika:** Because I am a black man, you are calling me an asshole?

**Sen. Baptiste-Primus:** Put him out.

**Mr. Vice-President:** Could you please remove him from this Chamber. Remove him from this Chamber. *[Crosstalk]*

**Sen. Obika:** You are a racist.

**Sen. Baptiste-Primus:** Put him out. [*Desk thumping*]

**Sen. Obika:** You are a racist. That is what you are. Just because I am a black man, you want to call me an asshole. You are a racist!

**Sen. Baptiste-Primus:** Go out.

**Sen. Obika:** You are a racist!

**Sen. Baptiste-Primus:** Go out. Are you hearing that man go out? Go out.

**Sen. Obika:** Shut your mouth.

**Sen. Baptiste-Primus:** You have no behaviour.

**Sen. Obika:** You allowed him to call me an asshole.

**Sen. Baptiste-Primus:** You have no behaviour.

**Sen. Obika:** You allowed this man to call me an asshole.

**Sen. Baptiste-Primus:** Be gone with you.

**Sen. Obika:** Because I am an African. You have to apologize.

**Sen. Cox:** You should not be allowed back in this Chamber. This is ridiculous. You should be suspended.

**Mr. Vice-President:** Continue, Minister.

**Hon. S. Young:** Thank you very much, Mr. Vice-President. [*Desk thumping*]

Mr. Vice-President, what I have just seen is the most despicable type behaviour that is possible not only in a Senate Chamber, but anywhere outside. Unless anyone harbours any, for a moment, any mistake in their mind, this had absolutely nothing to do with race. That is always the card the UNC plays, the behaviour. And what is ironic, Mr. Vice-President, on the second day when the world is saying that there should be no gender-based violence, we saw a young man scream and shout at one of the women on this side, Sen. Baptiste-Primus, one of our senior and one of the persons who leads us in the Senate, to shout all the way out the Chamber,

“Shut your mouth”. That behaviour is not going to be tolerated by this side, Mr. Vice-President.

**Mr. Vice-President:** Hon. Members, at this point in time I am going to suspend this Sitting for 10 minutes. I am going to ask for the Leader of each Bench to meet me upstairs as well as the President of the Senate. This House will now stand suspended for 10 minutes.

**3.18 p.m.:** *Sitting suspended.*

**4.22 p.m.:** *Sitting resumed.*

[MADAM PRESIDENT *in the Chair*]

**Ruling Re: Sen. Obika’s Actions**  
**(Apology on Return to Senate)**

**Madam President:** Hon. Senators, I have reviewed the footage on what transpired in this Chamber just prior to the suspension of the sitting and I am of the firm view that Sen. Obika’s actions have brought the Senate into absolute disrepute. Presiding officers regulate the conduct and business of this Senate and they interpret the Standing Orders, and all Members are required to abide by the decisions of the presiding officers whether you like it or not. And Members—and I have repeatedly said this in this Chamber—there is a way to invoke the Standing Orders and I have repeatedly asked Members to remember that. The way to invoking Standing Orders must be done in a manner that is befitting to this Chamber.

I therefore rule that upon his return to the Senate, Sen. Obika must unequivocally and unreservedly withdraw and apologize for the objectionable, abusive, insulting and offensive words uttered by him. This apology is not merely to the presiding officer, but it is also an apology to each and every Member of this

Chamber and it is an apology to the people of Trinidad and Tobago. I can say more on this issue. I choose not to. I can tell you that I find it thoroughly disturbing and embarrassing for the Chamber. This is the Senate. This is the Upper House. There is a reason and there is a decorum that is expected of Members of this Chamber, and I am embarrassed that this has happened today and that it has happened at all.

So, Hon. Senators, at this stage I will suspend the sitting. We will resume at 5.00 p.m.

**4.25 p.m.:** *Sitting suspended.*

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

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

**Sen. Dr. Varma Deyalsingh:** Madam President, thank you for allowing me to partake in this Motion raised by Sen. Mark. And, Madam President, I must say, like you, I was a little bit taken aback by the outburst that occurred here and I must say I was a bit traumatized. In my place sometimes I see the psychiatric patients. I am accustomed to getting outbursts like that, but in this august Chamber I was a bit taken aback, Madam President, and I was a bit, as I said, traumatized by the event and I am happy that you apologized to the nation for the occurrence of what happened here. And I, too, would like to apologize to the nation because we try to engage young persons to look at the Parliament to get examples of behaviour, how we should do, how we should, you know, debate Bills. And as Sen. Vieira mentioned, there were two explosions in Port of Spain today; on Park Street and one in Parliament. So with that, I apologize to the other side too, if any comments were made on behalf of the Senator. I am thinking that we have to look at—persons may have moments of irritability—

**Madam President:** Sen. Deyalsingh, if I may, I think we should leave apologies

for the particular individual involved. I do not think there is any need for you to apologize for anything. Okay?

**Sen. Dr. V. Deyalsingh:** Thank you, Madam President, but the hurt in me, I felt so hurt I was just trying to allay that to the other side.

As it may, Madam President, this debate actually, when Sen. Mark raised this Motion, I looked at it and I saw the fact that he was trying to bring about is that there was the procurement of two vessels, and the procurement of the two vessels that occurred in Australia, according to Sen. Mark's discourse, it was under some activities, you know, two activities—two red flags he had raised. And I looked—you know, I am not privileged to get mail in my mailbox—Cabinet Notes.

**Sen. Hosein:** Special—

**Sen. Dr. V. Deyalsingh:** Yes, special Cabinet. I am not privileged to get those Notes, but what I must say is, the Motion that Sen. Mark raised brought up to me the idea that when we are procuring any sort of vessels, or be it any sort of procurement procedures, I think this Motion speaks to that level of procurement, and I was going to actually elaborate about the procurement procedures, I mean, if it occurred.

The Minister of National Security did mention the fact that along each step of the way the Prime Minister did send videos of his meetings and tried to give us the idea, you know, what was going on, but I am saying that is not enough. If there is procurement of major commodities that are worth millions of dollars, we have to be a little careful and a little more alert about the message we may be sending.

So my message was really a message to the politicians, that when you are doing procurement and you are having allegations being made, you find that a lot of persons out there may feel aggrieved. They may look at a politician as a political

animal who may raid the Treasury. The impression of the politician may be that, and certain people out there have that impression. So part of my discourse we are saying is, in all our actions we should behave in such a manner; we should have the procurement of any sort of goods and services in a manner that no one could point fingers at a politician and say, “Hey, you may be doing a corrupt act.” And it was really looking at the culture of corruption that has followed us right through from the minute we got Independence. Even pre-Independence there were instances in the colonial days where there were levels of corruption, problems with procurement, coming right through.

So when you look at that, that level of finger-pointing at politicians—and one side may do it and in the election season—silly season—you find we may get a lot of these things being said out there and in the House. And I always say there is a ping-pong effect you have, where one side may hit a corruption ball on the other side and it hits back. So, therefore, looking at this Motion, I want to say the perception is important; the perception of corruption; the perception that if this occurs how it affects psyche of the nation. So if young people are seeing events that could traumatize them, you know, events that they are looking at Parliament and seeing events that, hey, they do not like what is happening; the behaviour of certain things, similarly, when they look at procurement procedure, when they look at what the Ministers, the Prime Minister, how they are going to get these goods and services, that could also lead to the perception of corruption.

And I am thinking history—you know, as Sen. Mark raised those points, I know it deals with ships and ferries. I, too, smell something fishy. And history has shown—it has always shown that with ships and politicians and contracts, there was always some level of despair. There was always some level of finger-

pointing. And it occurred from one side to the other side.

And, Madam President, I would just like to look at the levels of corruption, and the Minister of National Security went over a list of alleged corrupt activities he said occurred when the other side was in government. So I would not go through that because my point is, all governments since Independence, had evidence or had instances where alleged or even corrupt practices were there; every single one of them. You had overspending, LIFEsport, airport in a regime, Tesoro gas station, all these. So it was there. So good. Right now in this season you may have finger-pointing. Some may be fact, some may be fiction, some may be really just to get political points, but the idea is, it does not auger well for the population because young people seeing that, people out there might be fed up because if they are only hearing corruption and corruption on politicians, that affects how people think.

So, you know, the concept that “all ah we is tief”—one side said that. Another side said, “Politics has a morality of its own.” But, you see, if politicians do not try to get out of that mode, that level, you know, we will always be there, stuck in that level where people could point fingers at us. And, Madam President, I have to thank you for having young parliamentarians here. And recently I was in a conference in Nairobi where there were young parliamentarians from all over the world, and those young peoples have a drive. They have an energy. They have a hope for the nation. They have a hope to change the world.

And what I am saying is, if we show them that politicians are now coming clean, now adopting good practices, show them that those things are being, you know, met forward. And we had lovely legislation that we had that the Attorney General brought in terms of following the money and, you know, looking at

different aspects of how people may hide money. So, therefore, it is really looking to see that the public interest in terms of how we procure.

Madam President, when I looked at this allegation that was made by the Motion that Sen. Mark has, I must say, too, the blame game is there, and I want to go back a bit where our present Attorney General—and I would like to quote a story:

“Warner: No bribes from Damen Shipyards.”

This story occurred—it is Denyse Renne, and it was in the *Trinidad Express*, and in this article—

**Sen. Deonarine:** The date.

**Sen. Dr. V. Deyalsingh:** The date of it was—

**Sen. S. Hosein:** The 9<sup>th</sup> of September, 2019.

**Sen. Dr. V. Deyalsingh:** The 9<sup>th</sup> of September, okay. Thank you, Member. In this article, the former National Security Minister, Jack Warner, had to actually say that he received no bribes from a Dutch company, Damen Shipyards.

And *Sunday Express* had this interview and here allegations were made and there were investigations that are underway in the Netherlands looking to see if there were any sort of corrupt practices from officials from Barbados, Bahamas when these contracts were granted. And the Attorney General, Faris Al-Rawi, in an interview with the *Express* on October 24<sup>th</sup>, confirmed he attended a meeting last year in Netherlands to discuss the status of this investigation.

So we see here the Dutch company, Damen Shipyards, again, a shipbuilder, being involved in a sort of criminal investigation where—foreign bribery case to get their ships on the market and sold to individuals. So therefore, you had this allegation made here and against the Member of the Opposition who was in

government then. Now that allegation was there. But before that, I now want to quote another article, Madam President, by Clint Chan Tack, October 18, 2011, *Newsday*, where in this article he basically said that:

“Prime Minister Kamla Persad-Bissessar dropped several bombshells in the House of Representatives, exposing what she described as major corruption scandals which took place under the former... (PNM) government.”

The—“first bombshell was that a \$45 million scholarship programme”— I will bypass that. There were a few bombshells she dropped, but the one I really wanted to come to is, since we are dealing with the ships:

“She rubbed more salt in the PNM's political wounds when she revealed that six fast patrol vessels which the PNM bought from Australian shipbuilder Austal for \$400 million have failed to function properly since they were handed over to the Coast Guard in February, 2010.”

Madam President, why I mentioned this is, we have here, allegations from one side to the other side and vice versa, the ping-pong effect of corruption, I call it. Madam President, why I mentioned this, too, the company mentioned here, you know, is the same company that we are acquiring the ships from, so we have to be a little cautious. We know where there are ships, where there is money, there may be an element of corruption. I do not know if corrupt activities occurred, but what I am saying, if corruption occurred, it is not just Trinidad that has this problem, because we saw in the Dutch investigation they are looking at persons in Barbados and other countries, as well as Trinidadians.

But I would like to quote Legal Schnauzer, which is a legal magazine that comes out. It came out on Thursday, January 31, 2019 and this article actually showed that:

“Alabama Governors have a history of throwing taxpayer dollars at Australian ship-building company that now is under federal and international investigations.”

This article showed us that the same company, Austal, is being investigated. And you see, so we have to be a little cautious that if you are going into a deal with a shipbuilding company, and even if you are putting the video out for people to see on a step-by-step basis, as the Minister of National Security said, we have instances where this same company would have been providing ships that may be of a nature that may not be seaworthy, as we saw the newspaper article I mentioned where the previous Prime Minister dropped bombshells and she mentioned it was not seaworthy. It came in that condition.

But this article clearly stated that:

“Alabama Governors have poured more than \$30 million of taxpayer funds into a Mobile ship-building company that is under federal and international investigations for possible financial wrongdoing.”

Now, you know:

“The gravy train for Austal USA began in 2008 when Bob Riley gave \$5 million in economic-development grants to the company.”

So, clearly, we have an article here where the same company involved, but is involved in possible corrupt activities. So we have to look at two things with this. It may be a company that may be involved in corruption and may be willing to bend the rules, may be willing to give some sort of inducement to get their ships sold. And also the other thing we have to look at, too, is that politicians worldwide may be—what I am saying—may be labelled as corrupt if articles like this come out. They may be involved in corruption.

“A recent study in Public Administration Review shows the negative impact of public corruption on a state’s economic future. Alabama is listed in the top ten most corrupt states in America.”

Right? So this is a report that was entitled: “The Impact of Public Officials’ Corruption on the Size and Allocation of U.S. State Spending.”

So here we have this company involved in this activity. So then I am wondering what are we getting ourselves into? Are we getting ourselves in a company that may be stained? So I decided, let me look a little bit at this company, Austal, and see what they were up to. Now, it is a well-known company. They have supplied ships to the American government, other governments, so it is nothing to say that they are a company that cannot build ships. There will be some ships that may be defective. We have to be aware of that. But the inducements that they give is something we also have to be aware of, especially if people can point fingers at our politicians who we want to shine and polish and put there as global exemplars, and I think we have a duty to do that.

In an Article 19<sup>th</sup> of August, 2019, the WKRG News 5:

“Austal”—USA—“lays off workers.”

So, obviously, in this article it shows that the company was in some financial trouble. And, again, there is another article here:

“Australian Shipbuilder Hacked, Refuses to Pay Ransom”

And this is Bank Info Security, 02 November, 2018. So we have instances here where the company may be—you know, we have to look at this company a little carefully if we are going to have any sort of dealings with them.

There is an article here from hfw.com. HFW, it is a Shipping Bulletin, February 2016. And, again, what is mentioned here is that this company built a

ship and they delivered it to a ferry service dealer called Virtu. And when Virtu got this ship on the 23<sup>rd</sup> of February, 2016:

“After delivery, Virtu alleged that the ferry had latent defects caused by poor welding/workmanship.”

And strange enough, this ship that they were talking about there, this actually a ship that we have running between Trinidad and Tobago. So that ship which came into being, Madam President, had defects and those defects, I am saying, were there from the conception and they were legal—

**Madam President:** Sen. Deyalsingh, if I may, I need you to tie in your points. You are making a lot of references but there is a Motion that is here and I need you to tie those references to the Motion at hand, please. Okay? Just try and tie in what you are saying, what you are reading and referring to, to the matter at hand.

**Sen. Dr. V. Deyalsingh:** Sure. Thank you, Madam President. I am so guided. What I am trying to say, Madam President, is that when we are getting involved in any sort of dealings with companies, we have to be a little cautious. We have to be aware of it, especially since Sen. Mark’s Motion mentioned the fact that he thinks there is some level of corruption.

What I am saying is, Austal, Madam President, is a company that has been in existence for a few years but it has been in some financial problems, and I mentioned they actually had to lay off workers and there were in some problems, and even the contract they got from the Trinidad Government to build the ships. That was on their economic site stating this is something to boost the shipbuilding assets, because the shareholders of that company—*[Interruption]* Sure, yeah.

**Sen. Baptiste-Primus:** I just wanted to ask my colleague what were some of the problems that you identified that Austal has been experiencing?

**Sen. Dr. V. Deyalsingh:** Well, there were a few problems. Besides laying off workers because of the economic decline, they were not getting enough ships to build. So, obviously, the Trinidad contract came well—it came at an opportune time. But what we are looking at is that some of the problems they had actually before was, for instance, there is an article:

“Austal USA subject”—to—“federal investigation, raid.”

And this is an article on January the 24<sup>th</sup>, 2019. So they may be a company that may not be above board for all their dealings. So what I am saying, we have to look at their dealings, their disclosures, because:

“Austal had revealed that American regulators are investigating the shipbuilder over market disclosures related to a cost blowout on warships it manufactures for the US Navy.”

So there were some problems with their deal with the US Navy where they had a federal investigation and a raid in their department to see if there were any sort of kickbacks.

Besides their financial impropriety, we notice they also had before—there is a POGO—POGO is a Project On Government Oversight, Madam President, and in 2009, POGO had a report where they list contractors. So it is like a bad listing and:

“Federal Government’s Largest Contractors Have Paid billion in Fines and Penalties.”

This was a 1995 report, and according to the Project On Government Oversight, POGO, they actually had this company under question where they mentioned:

“An additional 20”—companies—“have only one instance, including new database contractor Austal USA, an Australia-based shipbuilder participating in the U.S. Navy’s controversial Littoral Combat Ship project.

Austal received more than \$1.3 billion in federal contracts...”

So there were certain concerns raised, but I am saying—

**Sen. Baptiste-Primus:** Concerns.

**Sen. Dr. V. Deyalsingh:** Yeah, concerns, yeah. So there were even instances where a:

“Tasmanian ferry company, Sydney Harbour fleet hit with ‘defect’ list ahead of commissioning.”

**Madam President:** Sen. Deyalsingh, I am sorry, but if you read the Motion that is before the Chamber as presented, the Motion sets out certain preambles and it calls for something to be done. In your contribution, you are focusing a lot and you are reading a lot of references to a particular company, but you are not linking what you are presenting to the Motion. So I assume that there may be—I do not know how many references you can make, but you need to link what you are saying to the matter at hand, please. Okay?

**Sen. Dr. V. Deyalsingh:** Sure. Thank you, Madam President. I just wanted to link, Madam President, that we may be getting ships from a company that, as I am saying, may be giving us—that, you know, internationally has raised red flags and also even the ship that they had given to Virtu fast ferries, *Jean de La Valette*, a ferry operated between Italy and Malta, this was one that had defects, and I am thinking this is the same ship that runs between Trinidad and Tobago.

**Madam President:** And therefore, Sen. Deyalsingh, if you are making a link, you need to link back to what is at hand. Because it is one thing to stand and to be able to refer to all these different articles, but it must have a link to the matter at hand. And you are saying you have made one link, but you need to make other links, because then you need to move on, okay? And expand your argument a little bit.

Yeah?

**Sen. Dr. V. Deyalsingh:** So, Madam President, I am looking at the fact that in these hard economic times, I know we bought that ship. We went into negotiations, but—

**Hon. Senator:** Which ship?

**Sen. Dr. V. Deyalsingh:** The two ferries that Sen. Mark raised. But what I am saying, I am just trying to bring up a different aspect on it. Did we really need to go into purchasing agreements for those vessels? And this is a point I want to just elaborate from an article, *Guardian*:

“Defence analyst advises: Don’t buy new Coast Guard vessels”

This was an article by Charles Kong Soo, Sunday, January 20, 2019, and a:

“Defence Analyst Dr. Sanjay Badri-Maharaj says instead of spending US\$74 million to purchase two new Coast Guard vessels, Government should focus on repairing and maintaining the country’s existing air and sea assets.”

**5.25 p.m.**

So then this is a person who is not a politician. This is a person who actually made recommendations before where he actually sat in certain committees, and he actually—this widely published author according to the article:

“...widely-published author on security...who has a PhD and MA from Department of War Studies King’s College London, said Cape class vessels have been plagued with serious problems in their propulsion systems. Vessels used by the Australian Border Force (ABF) experienced some problems in deploying their smaller rapid response craft due to a design fault in the davit or crane used to lower it into the water.”

So here you are, a former consultant to the Ministry of National Security

who said that he was part of an operational audit of the Coast Guard in 2013 and strongly recommended that at least four of the six vessels to be retained in the service for operations in the calm waters of Gulf of Paria rather than purchasing two vessels. This was his opinion. He is an expert in the field, but I am saying—and he actually gave that recommendation. But granted as it may, this was disregarded and we went ahead to go into that agreement.

I would like to say, Madam President, that if we have to look at the idea of the purchasing of these vessels, the idea of going in and making agreements, whilst Sen. Mark raised two important points about the cost and the moneys and the fact that there was a discrepancy and he made that point, I am saying we have to look at the perception that if something might be wrong—even though he raised those points, persons out there, even though he may be right or he may be wrong, but the perception of corruption is something that I think we have to see how could we do business in this country without having allegations and finger-pointing because out there the people are probably getting fed up and do not know which politician to trust. They may say one is a different side of the same coin. You may have one side doing it. So obviously politicians have to look at a way to monitor their business office better. And whilst I look at the idea of this procurement that occurred, we have to appreciate the fact that Trinidad and Tobago, Madam President, we have to do things in a way, and our politicians have to do things in a way that would raise our standards.

I mean we are a country, a blessed country, we are a beautiful country, we have a lot of things going on here, and I am looking at our corruption index. Our Corruption Perception Index, Madam President, when you look at the rest of the Caribbean—I am not going worldwide, we scored on the average—our CPI

average from 2011—2018 is 39.17, and any score less than 45 indicates a flawed democracy according to Transparency International. So if we are there and persons are looking at us and saying we have a flawed democracy, I am thinking any purchase of any ferries, any purchase of any ships, any sort of international transaction, should be done in a way where people cannot point fingers. It may be done in the best intentions to get things quickly for our country, it may be done with noble intentions, but you see once you have that perception, that idea of corruption, I am thinking that we have to work better in certain parameters that no one could point fingers at us. So we have to get those parameters in place for not just this Government, for any future government that comes in.

So Barbados on their index they are 68, Jamaica is 44, and we are 41. I think we have to do better. We have to lead the Caribbean. I mean, we have the best women I think, Miss Universe, Miss World. We have shown we can score the best cricketer in the Caribbean, Brian Lara. So now we have to be the best in terms of this corruption index, and this is what we have to work towards. This is what we have to say, let our leaders, let our Government work into these with this parameter. And even the UN Office, there is a report on drugs and crime and they said each year US 1 trillion is paid in bribes worldwide, and corruption reduces the government's ability to provide basic resources and services of its citizens. So looking at the global scene, I have to say now there is the gov.uk where there is a "Guidance Overseas Business Risk - Trinidad and Tobago," and in this article it was quite stated that:

"In 2019, Trinidad and Tobago ranked 78 out of 180 countries in the World Transparency International Corruption index. The current government has publically committed to eradicating corruption in the public service and has

taken some concrete steps such as high-level prosecutions”—which we have seen—“tabling public procurement legislation, passing new legislation on unexplained wealth and removing from office a Cabinet Minister who had appeared to act improperly in the previous government.”

So this is a report that is worldwide on Trinidad and Tobago. Right.

“However, allegations of bribery, corruption and lack of transparency in procurement processes are widespread, especially...the public sector.”

This is the bitter pill to swallow, in the fact that the procurement process, I think, we have to establish a system where no one could point fingers at us.

Madam President, for too long I think Tobago has suffered because the ferry service—from whichever government there—keeps breaking down, keeps giving difficulties and I think we have no excuse. Tobago has citizens who are—I mean if you are going to Tobago and you cannot conduct business, it is really a disservice to the citizens of Tobago, and I am looking at successive governments come in and we always have the same problem. It is not to say one side is to blame, the other side, they are all to blame. Also, it is a disservice too not to get the vessels to actually surround our waters, to protect our waters. Because you see, crime, drugs come in, we could get caught as collateral damage by families.

So it is my opinion that I would want the ferry service to operate between Trinidad and Tobago to help our citizens have the free mobility. I would want OPV vessels or other types of vessels around the country to protect us. And you see, again, it may be a disservice too for those who want to see proper procurement procedures, like the young parliamentarians who came here and sat; the young school children, they want to see that. They want to see a certain level of ethic, a certain level of behaviour.

So what I want to say, Madam President, I really would like to say that we have the procurement legislation. We have it there. It is just a matter now to get little things changed. And I want to plead to all, to plead to both sides, you know, even though we have that legislation in place, if you are going to buy anything the best practice and governing should be to adopt standards set out in that legislation. And I am hoping that, you know, even though Sen. Mark brought this Motion and the other side would disagree with it, what I am saying is the grit in the oyster should really be for all of us to say, "Let us have the full implementation of Public Procurement and Disposal of Property Act". I think this should be a matter of high priority. The implementation should be done in a manner which fosters confidence to us all.

You see, the reviewing of tenders, Madam President, the decisions upon awarding of contracts should be undertaken as much a transparent manner as possible including demonstration of clear compliance with procurement rules to at least to allay any suspicions of improper actions or potential corrupt influences. So corrupt acts may occur, it may not occur, but the whole idea is the perception is there and we need to allay the fears of the persons out there that we do not have this corruption occurring. So we all have to work together to see if somehow we can get this procurement legislation going, and I think if that was here, there would not be any finger-pointing or there would not be any finger-pointing in the past, because if another government comes in power you will hear the same thing about the ships, the building, the finger pointing. So proper procurement legislation is needed, and with this, Madam President, I close. Thank you. [*Desk thumping*]

**Madam President:** Sen. Hosein.

**Sen. Saddam Hosein:** Thank you very much, Madam President, for giving me the

opportunity to join in this debate on a Private Member's Motion brought by Sen. Mark regarding the Austal vessels, and, Madam President, I would seek your advice and your guidance on this matter with respect to the amendment to the Motion, and if I may put the amendment to the Motion now.

**Madam President:** You can.

**Sen. S. Hosein:** Madam President, I beg that I can amend Sen. Mark's Motion, No. 1 on the Order Paper, by deleting and substituting the following new resolution at the end of the Motion:

*Be it resolved* that this Senate call on the Government to table, within fourteen days, the two contracts entered into with Austal and the Export Finance and Insurance Corporation (EFIC) now known as Export Finance Australia for the procurement and financing including all associated charges of the two Cape Class Patrol Boats.

**Madam President:** Sen. Hosein—

**Sen. S. Hosein:** Yes, please.

**Madam President:**—thank you so much for giving us an insight to the proposed amendment, but it really has to be made nearer the end of your contribution. Okay?

**Sen. S. Hosein:** All right. Thank you very much, Madam President. I thought I could have made it now.

**Madam President:** So did I, but no.

**Sen. S. Hosein:** Thank you very much. And, Madam— [*Device goes off*] Madam President, it seems I get a little background music in my speech.

Madam President, when I read the Motion, this Motion really centres on two material issues. The first being that of the procurement, and the second being that

of border control, and those are two issues that really affect Trinidad and Tobago today. And I say that, Madam President, that with respect to procurement—let me deal with the border control issue first because these two cape class vessels are really for guarding our territorial seas between Trinidad and Tobago and our neighbouring countries, brothers and sisters in the Caribbean, and also Venezuela.

Madam President, we cannot have a blind eye to what is happening in Venezuela because we realize that there is a heavy influx of Venezuelan nationals who come into Trinidad and Tobago. We see an influx of firearms, and guns, ammunitions. We are not manufacturers of guns and ammunitions, hence the fact that we need something to protect our borders. And while we welcome any government's intervention in order to acquire assets, for example, these two cape class vessels in order to protect our borders, we as an Opposition have a job to do and our job is to scrutinize and ensure that we hold the Government to account so whenever they enter into any agreement—and I would say for the benefit of the people of Trinidad and Tobago and their national security, and the safety of them—we have an opportunity in this Parliament to ask for answers.

We have the power. We have that duty on behalf of the people that we represent in order to call the Government into account with respect to producing documents and giving us answers for these deals because, Madam President, you will well appreciate that this is not any small contract we are entering into. It is not us entering into a contract to buy a motor car or a house. This is hundreds of millions of taxpayers' dollars are going to be spent with respect to buying two vessels. So that in itself is what the nature of this Motion is. We balance national security with that of accountability.

Madam President, you will know that there is an Act of Parliament which is

the Public Procurement and Disposal of Public Property legislation. That particular piece of legislation was passed in the year 2014. 2015, a new Government was ushered in, and in consecutive budget speeches we heard that the procurement legislation will be fully implemented, it will be fully proclaimed; 2015, 2016, 2017, 2018, 2019. And every year, the Government will come with the narrative, and the PNM will go onto the platform and speak of corruption and they would say that there is corruption in Trinidad and Tobago, there is corruption within the public service. You heard recently that the Minister of Works and Transport spoke of corruption within the licensing division and persons were arrested. But if you want to really deal with corruption, well, let us fully proclaim the procurement legislation so that we can actually have one foot inside the door to address corruption because a big part of corruption comes from the award of contracts in this country. Because you would find that contracts will be awarded to a select few as opposed to others.

You will find persons with no experience being given opportunities that persons who deserved the opportunities should have been given, and the procurement legislation was brought for both Opposition and Government—it was before a joint select committee—agreed to these things. While the PNM was in Opposition, they agreed. While the UNC was in Government, we brought the legislation. It was passed in the Parliament, but now it is like pulling teeth with this Government with respect to implementing the legislation fully. And I think had this legislation been implemented, then this entire debate, we may not have to have a debate on that because we would have been sure that an independent procurement regulator would have been the one scrutinizing this contract. So that the people of Trinidad and Tobago, and us, as an Opposition, could have felt

assured that whatever was entered into here was up to par, was beyond reproach.

Madam President, there are simply solutions to how we get about doing these things, and accountability is a very difficult question for this Government because every time we call this Government to account they will play the blame game and talk about what the UNC did in 2010 and 2015. Madam President, we are moving forward. It is a progressive Government. We are in 2019, yet they are blaming Kamla for what happened in 2010 still.

Madam President, you would know that when we were in government we bought vessels. We did not say that we were going to buy vessels. We had the borders protected. They will quarrel and they will condemn the actions of the People's Partnership government for cancelling the OPV contracts, but while those contracts were cancelled there was a plan in place to protect the borders when we brought the 12 Damen vessels. They will bad talk the Chinese boats, but they continue to use the Chinese vessel.

Madam President, that OPV deal that the Government will continue to condemn the People's Partnership Government for, we were able to recover \$1.4 billion to the people of Trinidad and Tobago because there was a breach of contractual arrangements with the previous PNM Government which they entered into in 2009. So when that time had passed, Madam President, how could we have upheld a contract where the company was in breached? We were able to recover a billion dollars to the people from the BAE. If the OPV contracts were so good, why it is that the people of Trinidad and Tobago won that matter? Why were we successful in the arbitration?

So, Madam President, again, with respect to these vessels you would see that—and Sen. Deyalsingh was right. Every time you buy boats in this country,

there is always an issue. You would remember the *MV Su*. You know all of the issues that happened with the *Galleons Passage*. Today, we have one of the most expensive boat, *Jean de la Valette*. We pay \$263,000 per day to lease that boat, and now we are going to be saddled with two cape class vessels, which we are going to take on loan, which is going to cost the taxpayers, according to official Cabinet documents, US \$89 million which is equivalent to US \$605 million.

**Sen. Mark:** TT.

**Sen. S. Hosein:** TT dollars. TT \$605 million, Madam President. This is a lot of money and we must ensure that if we spend so much money we must get value for our money. [*Desk thumping*]

You would remember—I remember every Sunday I used to find myself in Port of Spain, myself and Sen. Mark, calling for answers on the *Galleons Passage*—every Sunday. Sometimes, Madam President, my parents quarrelling, “leh we go for doubles”. No, I am going to Port of Spain to ask for answers on the *Galleons Passage*. And if it means that every Sunday myself and Sen. Mark have to come back to Charles Street to ask for answers on the cape class vessels, we will do it [*Desk thumping*] because, Madam President, we were successful because the Government finally bent to the pressure and they laid the documents relating to the *Galleons Passage* in Parliament.

So if we are asking—Madam President, I gave you the prelude to the amendment, but we are asking the Government to come clean with this deal, let us examine the contracts. Let us examine them. Let the people of Trinidad and Tobago see what we are entering into. We have seen a lot of secrecy with respect to this particular Government because under the Freedom of Information Act, not only Members of the Opposition, but also members of civil society, NGOs, had to

twist this Government's arm in order to get information out of it. Recently with respect to the Sandals deal where Mr. Afra Raymond had to go court to get the memorandum of understanding, and all of that could be avoided. The embarrassment of the Government could be avoided.

Sen. Deyalsingh spoke of the perception of corruption and transparency. That will augur well if the Government comes clean and just let the population know with is happening, and I do agree that just putting up videos on Facebook with the Prime Minister walking through a shipyard issuing a media release is enough. This is \$603 million that we are spending here on two vessels, and who is this Austal company? Did Trinidad and Tobago have dealings with Austal? Madam President, we have coast guard vessels right here. We are going to spend \$605 million and we have vessels here. If the Government just decides to allocate moneys for maintenance, and service, and repairs, our borders will be protected. So that when fishermen are being killed in high seas, Madam President, you will have vessels to go and assist these families so that you would not have the Government saying that they do not have the resources. So that when persons are illegally coming into our country we will have the assets out there to detect that.

Madam President, I saw recently that the coast guard has been very active with respect to their communication, and we have seen a lot of media releases coming out where they would have held certain Venezuelan nationals entering into our borders. But right now, our borders are very porous and the Government gives us the assurance that come 2020 it will be dealt with. Because in 2020 these both vessels are expected to arrive in Trinidad and Tobago, but can the people of Trinidad and Tobago wait any longer for these vessels to arrive here with the borders being so porous? Because every day persons in this country are being

killed by firearms and guns. We need to protect our borders, but it took this Government too long, too long for this to happen. Five years it took them for them to really deal with the coast guard. And when you look at what is before us you would see that Sen. Mark in his Motion would have called and would have identified the discrepancies with respect to the price. So let us look at the price.

Initially, according to reports, it indicated that the Australian Government would have bought the exact vessels for US \$45 million, but today the people of Trinidad and Tobago, they are going to be paying approximately US \$90 million. So that is what? Double the price. The Minister of National Security stood up and he spoke of, well, the people of Australia do not have to mobilize the boat because the boat does not have to leave thousands of miles to get here. He spoke of maintenance and the figure he gave was about US \$2.7 million. Madam President, is the Minister of National Security taking the people of Trinidad and Tobago for a ride? How could you justify the people of Australia paying \$45 million for the vessels, we are paying \$90 million for the vessels, and you are coming to tell us, well, they do not have to mobilize. Are you telling us we are spending \$45 million to bring those vessels here? He cannot be serious. He cannot be serious when he says that. You cannot tell us that it is going to cost \$45 million to move these vessels here. We could have bought four—US \$45 million.

Madam President, that is totally unacceptable. Totally unacceptable for this Government to come and tell us that and justify it with this nonsense of an argument. And let me ask, Madam President, the Prime Minister when he addressed the nation, conversation with the Prime Minister, and also a statement was made in the Parliament, in the other place, he spoke of all of the experts that would have gone to Australia with respect to this vessel, and I have a copy of that

statement where the Prime Minister would have spoken of the team that would have gone to Australia to see the vessel—and I believe even the Minister of Foreign and Caricom Affairs would have accompanied the delegation.

**Hon. Senator:** “He campaigning.”

**Sen. S. Hosein:** Well, I do not know if he remembers what happened there, Madam President, but when—[*Interruption*]

**Madam President:** Sen. Hosein?

**Sen. S. Hosein:** Yes, please, Madam President. But, Madam President, when you look at what the Prime Minister would have said with respect to the Australian cape class vessels and the procurement of them, is that yes, all of these persons would have gone and they would have inspected the vessels for a couple—probably they would spent some time, not any significant time. But it was a study commissioned right here in Trinidad and Tobago to determine whether or not these vessels will be appropriate for Trinidad and Tobago. Maybe they may be appropriate for Australia. We have different sea conditions here in Trinidad.

I raised this concern when we were talking about the *Galleons Passage* and the built of these vessels. Austal is known to have aluminium hull vessels. And we had in Trinidad and Tobago, Austal vessels, and the complaints that were coming from the very coast guard with respect to these vessels is that when these vessels go at very high speeds the hull of vessel it tends to be damaged. And is it that we are going to purchase these exact same aluminium hull vessels without doing the proper study? Because we must know whether or not we are buying these very expensive boats, whether or not they will be able to withstand our sea conditions. So was that study done? Because when you speak of the blue water conditions right here in Trinidad, which is on north coast area, also where you

travel through the Bocas into Tobago, the waters are very rough, and if these vessels cannot withstand that you know what happens, that these vessels will now have to be undergoing routine and even accelerated maintenance and servicing. So that is one of the things that we have to look at, whether or not the hull of the vessels would be able to take that enormous pressure when they are travelling through our waters.

Madam President, you would also know that Austal is a company that there are some questions over the head of that particular company. And while I was doing my research on this particular matter, there is one article that I came across from a paper called *Capitol Observations*—it is from Washington—and the name of the article is “Lawsuit Claims Austal USA Overbilled The Military.” So Austal, in this article, which it was reported, was that a claim was filed in the US court that Austal was overbilling the navy by saying, well look, we have employees in there who are of a very great rank and calibre so we have to pay them X amount of money, and they also inflated their work hours. So it meant that Austal in itself was creating these false claims because that was what was brought against them. It is called under the False Claims Act in the US that false claims were brought with these vessels. So Austal is actually before the court in the US with respect to provision of navy vessels for false claims.

So the Government is saying, “Look, we are entering into this contract with Austal, but did you all consider that Austal is before the American court?” Did you all consider that Austal has been investigated by the feds in the US when they went in the shipyards? Did you all consider whether or not Austal is a company that gives you a price for a very low-priced vessel, but at the end of it, the prices are inflated because of cost overrun because they want to get the contract?

Madam President, these are questions that the Government should have contemplated and considered when you go into these particular contracts with these foreign companies. Was any financial study or investigation done with respect to Austal? And I say this, Madam President, I hope you do not—with respect to the Standing Order, I am just going to draw a comparison. When you look at what happened—

**5.55 p.m.**

**Madam President:** Sen. Hosein, the fact that you introduced that sentence by saying that, has me a little concerned now. So—

**Sen. S. Hosein:** It is on the point of 36(1), Madam President. I am going to make a comparison. I am comparing Austal as a foreign company, we must do our proper due diligence to understand the financials of that company and whether or not there are liabilities against that company because we are investing a large amount of money, as compared to what happened with respect to the Bamboo investment and e TecK where no investigation was done with that particular company and look at what happened. So we do not want that to be repeated in this particular instance. Because no investigation was done there, we lost \$35 million, now we have before us TT \$605 million. So we must do our due diligence when we deal with these foreign companies in particular. Also, Austal has a series of claims against them with respect to the occupational safety and health of their employees.

Now, Madam President, I also want to give some insight with respect to a list of some of the vessels that Austal would have provided that had some issues, and this I am quoting from is an article by Christopher Harris, and this comes out from an online article called “The Stock”, and if you would allow me to quote,

Madam President, it said on July 11<sup>th</sup>:

The *USS Freedom*—

That is a vessel.

A freedom class LCS built by Lockheed Martin in Wisconsin had sea water leaks into the main diesel propulsion system and was forced to return to the port for repairs.

Madam President, this is just one instance, there are several other instances in which Austal vessels were in fact not suitable or in fact defective for the purpose. And you would see when you use these Austal vessels—and the Minister of Works and Transport would know of the sea conditions that exist in Trinidad and Tobago with respect to these vessels.

Now, I want to go into a next area where the Minister of National Security, he continuously repeated this afternoon about “helicopters” and “helicopters” and “who flying with helicopter from here to there”. “Buh you know wah he forget tuh tell the people, Madam President?” It is because of them, the four helicopters today are grounded because they did not maintain the helicopters. [*Desk thumping*] And you know what the Minister did not tell us too? That the Attorney General of this country cost the taxpayers US \$10 million for failure to file a defence in a matter that was brought by that company against the Attorney General. He did not say that but he comes to talk about OAS and all kinda nonsense arguments he came with, distracting from the real issue of whether or not the price you paid for the vessels is justified with respect to what happened in Australia with the price that the Australian Government paid for the vessels. You come to talk about OAS, well, tell us why the price of the vessels was inflated by 100 per cent from \$45 million to US \$90 million. You must tell us that. That

money must go somewhere. You know it has a very well-known saying in this country, “Tell we where de money gone”. So I want to ask them, “Where de money gone?”

You would hear that the Government talks about maintenance. When they bring these two cape class vessels here, I want to know whether or not—you said that the Austal government will be here for a period of about 12 months. I want to know whether or not they are going to stay here to continue the maintenance of these boats because from the track record of this Government, “dey run down everything”. “Dey run down boat, dey run down helicopter” and right now, Madam President, they are running down the country. That is what they are doing. They are running down the country.

**Hon. Senator:** “Allyuh run down the Treasury.”

**Sen. S. Hosein:** Madam President, “dey talk about running down de Treasury, well, tell us where the extra US \$45 million gone”. Right? Tell us. [*Desk thumping*] Because you know what? I am seeing that the Minister of Education is here too, you could have given him that money to help him complete the schools that they have been complaining about. [*Desk thumping and crosstalk*] That is what you should have done. Yeah, so, Madam President—

**Hon. Senator:** Twelve seconds.

**Sen. S. Hosein:** I know I have 12 seconds, I will end properly on the next day that we return with this Motion, [*Desk thumping and laughter*] because when we return with this Motion, I will be amending the Motion. Thank you very much.

### ADJOURNMENT

**The Minister of Trade and Industry (Sen. The Hon. Paula Gopee-Scoon):**  
Madam President, I beg to move that this Senate do now adjourn to a date to be

fixed.

**Madam President:** Hon. Senators, before I put the question on the adjournment, leave has been granted for one matter to be raised. Sen. Mark.

**Ministry of Education**

**(Award of Scholarships 2019)**

**Sen. Wade Mark:** Thank you, Madam President. I am raising a matter on the Motion for the adjournment in which we are seeking explanation for what appears to be a contradiction in the public statement made by the Chief Education Officer in respect of adjusting grade profiles of students being considered for scholarships and the response given by the Minister of Education in the Senate on November the 19<sup>th</sup>. Madam President, you would recall that the hon. Minister of Education, on the 19<sup>th</sup> of November, indicated to an Urgent Question when I asked the question whether grade profile adjustments to the grades of students considered for scholarships were adjusted, the hon. Minister indicated that grade profiles are only changed or adjusted by CXC consequent on the review requested by candidates and their parents. The Minister went on to say that the review process and adjustment remained the purview of CXC and not the Ministry.

I have in my possession an article, which has not been denied, from the *Newsday* dated November the 19<sup>th</sup>, page 3, and I quote:

“Chief Education Officer Harrilal Seecharan said grades and grade profiles are used to consider students for scholarships.”

I open quotations here:

““This year””—this is the Chief Education Officer speaking—“because of the process being...more competitive, we had to make adjustments to the grade profiles’...”

This is what Mr. Seecharan is saying, that the Government through the Ministry of

Education, because of the competitive nature of this year's profiles or scholarships, the Government had to make adjustments to the grade profiles.

“Seecharan added this happened in mathematics, natural sciences and business. In cases where students had the same grades and grade profiles, Seecharan said T-scores had to be provided by the Caribbean Examination Council...to determine the award of scholarships.”

Madam President, I have raised this matter so that the hon. Minister of Education can tell us what does this statement represent; that is, this year, because of the process being much more competitive, we had to make adjustments to the grade profiles. This, Madam President, requires some clarification. What was meant by that and what exactly was Mr. Seecharan trying to establish? Madam President, we would also like the hon. Minister to indicate why the scholarship listing was only issued in the month of November when the latest it has been issued was in October of one particular year, I think it was October the 23<sup>rd</sup>, at the time when the students were now entering the university. So we are asking the hon. Minister to give us some clarification on this.

Madam President, I am made to understand and I need clarification from the hon. Minister, that there is in the Ministry a scholarship committee. That scholarship committee deals with the award of scholarships and they make recommendations to the Minister not on the merits or performance of the students but on the issue of how scholarships are granted in various areas or fields such as business, language, math or science. I further understand and I stand corrected that the Chief Education Officer chairs that scholarship committee and that committee reports to the Minister of Education. This is the information I have. If I am wrong, let the Minister clarify me on this matter. And therefore, Madam President, I am raising this matter this evening so that we can get some clarification because

it is wrong for the Minister to give the impression that there was no adjustment to the grading or the grade profiles when I last raised the matter when the Minister might have been responsible for adjustments if what I am being told turns out to be true. So the Minister must clear the air this evening on whether there is a scholarship committee.

I would like the Minister to tell us who make up—what is the membership of this scholarship committee and whether the Chief Education Officer chairs that committee or is the Chairman of that committee and whether that committee, Madam President, reports to the Minister. And in this instance of the scholarships of 2019, what role did the Minister and his scholarship committee play in adjusting scholarships awarded to scholars in this country, whether it is in education, whether it is in business, whether it is in language, whether it is in math, whether it is in science, the Minister needs to clear the air on these matters because citizens and parents are very concerned where their children scored. As in some instances and they have not been given the kind of attention as they were given when we were in office. [*Crosstalk*] Yes, the reason why I am saying so, Madam President, is that the Minister knows well that he has a role to play and he did not tell us the role that he played and that is why I am saying that he has to come clean.

**Madam President:** But, Sen. Mark, you have to say that another way, please.

**Sen. W. Mark:** Yes. In other words, Madam President, I understand that the chairmanship of that committee is the Chief Education Officer and he reports directly to the Minister of Education. That is the point I am making. And therefore, I am asking, through you, to the hon. Minister to tell us what has happened this year. We would like the Minister to indicate whether there was any deviation on his part from the normal and usual practice that has occurred over the years under this arrangement. So, Madam President, I await the Minister's

clarification on this very important matter.

**The Minister of Education (Hon. Anthony Garcia):** Thank you very much, Madam President. I am indeed very happy to be given the opportunity to respond and correct the wrong statements, the misleading statements that Sen. Mark, in his usual style, has been making where this is concerned. Madam President, throughout Sen. Mark's contribution, he stressed on the point that there was a change in the students' grades and a change in the students' profiles and he was stressing that as though he was there in the room where members of the scholarship committee were looking at the results of the students and as though he knew every single thing where scholarships are concerned. Madam President, it is clear to me that Sen. Mark does not have an iota of understanding of how scholarships are determined and I take the opportunity tonight to educate him and to enlighten him so that it is hoped that when he leaves this Chamber, he will be much better educated because a Minister of Education is giving him sufficient information that will assist in his own personal development and I think he needs that.

Madam President, I think I need, first of all, to explain the difference between grades and grade profiles and apparently Sen. Mark does not have an understanding of the difference. Grades are awarded by CXC in accordance with the performance of a student in their exams, a student or a candidate as we refer to them, in an exam. And for a student to achieve a passing grade, that student must be given either a 1, 2, 3, 4 or 5 at CAPE; 6, 7 and 8 are failing grades. Now, attached to each grade is a profile and I will want Sen. Mark to understand and to listen to what I am saying because I do not want him to go outside and spread any rumours or misunderstandings on his part. Each grade is accompanied by a profile. For example, a student might have a Grade 1 and the profiles might be A, A, A, or

in some cases, the profiles might be A, B, A or A, B, C.

Let me give an example of what all this is about. An A in the profile shows a thorough understanding of the subject matter. So, for example, in Pure Mathematics, a student gets a 1 and the profile will show A, A, A, it will indicate that that student has a thorough understanding of the subject matter. B in the profile shows a high level of understanding but with small areas of weaknesses; a C in the profile shows a fair understanding of the unit; a D shows some understanding in only a few areas of the subject unit, and the E shows minimal understanding of the subject unit. The grades and the profiles are the preserve of CXC. It is the business of CXC, the examination body, to award the grades and attach the profiles. The Ministry of Education has absolutely nothing to do with this and therefore, for Sen. Mark to contend that the Ministry of Education changed the grades or changed the profiles is totally false; totally and completely false. *[Desk thumping]*

And this is the point I made in the Senate on the 19<sup>th</sup> of November when I said changes to grades and profiles can only be made consequent on a review requested of the Caribbean Examinations Council by the candidate or the parents. I made that point and I went on to say that the review process and adjustment of grades and profiles remain the sole purview of CXC and not the Ministry of Education. And therefore to build an argument which states that the grades and the profiles were changed by the Ministry of Education, again, is false and misleading, totally false and misleading. Madam President, allow me to continue.

The Chief Education Officer, as Minister Mark explained—

**Sen. Baptiste-Primus:** Sen. Mark.

**Hon. A. Garcia:** Sen. Mark. Thank you very much. As Sen. Mark explained and as was reported in the article appearing in the *Newsday* written by Clint Chan

Tack, I have it here too, what Sen. Mark refused refuse to pay attention to is the fact that the Chief Education Officer said:

“In cases where students had the same grades and”—the same—“grade profiles...T-scores had to be provided by the Caribbean Examination Council...to determine the award of scholarships.”

I think I need to repeat this so that Sen. Mark will understand. Here is our Chief Education Officer explaining:

“In cases where students had the same grades...”

For example, a student had Grade 1 and another student had Grade 1—

“...and the same...profiles...”

A student had A, A, A and the other student had A, A, A—

“...T-scores had to be provided by the Caribbean Examination Council...”

In other words, we had to drill down to the T-scores and the T-scores are really the exact scores that are made by the student.

Now, all of us who have some knowledge about examinations and how examinations are corrected and graded would understand that if a student gets a 1, that 1 can range between 100 and perhaps 90. If that same student gets an A, that A could also range between 100 and 90 or in some cases, 85 and therefore, you might have two or three or five students getting a Grade 1 and As in all the profiles, the T-scores will be different. So that student can get a 1 and have three As in the profile but his total score might be 92 whereas a student getting same 1 as a Grade 1 and three As might have a total of 98, and for us to determine who will get the scholarship, we have to drill down. The reason for drilling down is because the students did exceptionally well this year and that is a tribute to what is happening in the education system today, the vast improvement in the performance of our students [*Desk thumping*] which Sen. Mark refuses to acknowledge, refuses

to say.

Now, he made another mysterious statement that the Minister of Education has some part to play. No Minister has any part—well, I should take that back, I do not know what part previous Ministers played, I do not know. But this Minister has absolutely no part to play. I receive the report which I take to Cabinet, I have absolutely nothing to do with respect to changing the report or to interfere with the report. So, again, that is another erroneous statement on the part of Sen. Mark.

And Sen. Mark asked a question: Why is it that the results this year were later than usual and the answer to this is very simple. In the past few years, we have had students or their parents requesting a review of the marking, so they would have applied to CXC for a review because of the length of time CXC usually takes with the reviewing the marks of these students, sometimes we take the report of the scholarship committee to Cabinet and Cabinet has awarded the scholarships. On some occasions, we had to go back to Cabinet because of the review process by CXC, the grades were changed by CXC and therefore, those students qualify for a scholarship.

**Madam President:** Your time is up.

**Hon. A. Garcia:** Thank you very much.

*Question put and agreed to.*

*Senate adjourned accordingly.*

*Adjourned at 6.20 p.m.*