

HOUSE OF REPRESENTATIVES*Monday, December 13, 2021*

The House met at 1.30 p.m.

PRAYERS[MADAM SPEAKER *in the Chair*]**LEAVE OF ABSENCE**

Madam Speaker: Hon. Members, I have received communication from Dr. Lackram Bodoie, MP, Member for Fyzabad, who has requested leave of absence from today's sitting. The leave which the Member seeks is granted.

PETITION**Request for a Change of Name**

The Minister in the Office of the Prime Minister (Hon. Ayanna Webster-Roy:
Madam Speaker, I beg to present a petition on behalf of members of the Tobago Council for Handicapped Children of 43-45 Signal Hill, Scarborough, Tobago.

I move that the Clerk be allowed to read the petition.

Question put and agreed.

Petition read.

Question put and agreed to: That the petitioner be granted leave to proceed.

PAPERS LAID

Madam Speaker: Hon. Members, we shall revert to this item of business later in the proceedings today.

JOINT SELECT COMMITTEE REPORT**Finance and Legal Affairs**

Status of Un-proclaimed Legalisation (Part 1), The Planning and Facilitation of Development Act, 2014 and the Data Protection Act, Chap. 22:04 (Presentation)

The Minister of Public Utilities (Hon. Marvin Gonzales): Thank you very much, Madam Speaker. Madam Speaker, I have the honour to present the following report:

UNREVISED

Second Report of the Joint Select Committee on Finance and Legal Affairs on an inquiry into the Status of Un-proclaimed Legislation (Part 1), The Planning and Facilitation of Development Act, 2014 and the Data Protection Act, Chapter 22:04, First Session (2020/2021), Twelfth Parliament.

PRIME MINISTER'S QUESTIONS

Employment and Revenue Implication (Relocation of ExxonMobil)

Mr. Ravi Ratiram (*Couva North*): Thank you, Madam Speaker. To the Prime Minister: Given the recent announcement by ExxonMobil to relocate its supply chain service from Trinidad and Tobago to Guyana, will the hon. Prime Minister inform this House what employment and revenue implication, among others, would this move have on T&T?

Madam Speaker: Prime Minister.

The Prime Minister (Hon. Dr. Keith Rowley): Thank you, Madam Speaker. Madam Speaker, this move by ExxonMobil was to be expected as the source of their exploration and production of oil and possibly gas is in Guyana. Madam Speaker, currently, the production levels there are over 100,000 barrels a day and the projections for the medium term is over a million barrels a day. So that is not surprising that Exxon shifts its business there. Trinidad and Tobago service providers have been working and they are providing service in Guyana in joint venture arrangements and they will continue to do so. Our service providers will continue to provide services in the hydrocarbon industry and the Government will continue to do its part to promote our services in Guyana and elsewhere.

Madam Speaker: Member for Couva North.

Mr. Ratiram: Thank you, Madam Speaker. Could the Prime Minister say whether the Government intends to hold discussion with ExxonMobil to secure the labour interest of existing workers who may be eligible to work in Guyana?

Hon. Dr. K. Rowley: Madam Speaker, the employment of staff at ExxonMobil is not a Government matter. That is a matter that will be handled by ExxonMobil who will carry their staff as they see fit. But Trinidad and Tobago will remain a place that is welcoming to international oil production and we will also seek out opportunities and clear the way, as we are able to do, diplomatically and otherwise, for our business and our nationals to participate in the economy of Guyana, it being a Caricom country.

Madam Speaker: Member for Couva North.

Mr. Ratiram: Thank you, Madam Speaker. Could the hon. Prime Minister advise what measures he or his Government are putting in place to compensate the revenue that is being lost due to ExxonMobil relocating its supply chain services to Guyana?

Hon. Dr. K. Rowley: Madam Speaker, that is not a matter that is in front of us at this time because I do not know the specific numbers, but I will prefer to wait and see how it develops. But the loss of revenue is not the issue because we do not have any control over what ExxonMobil does with its business in terms of treating with its operations in a foreign country.

Madam Speaker: Member for Chaguanas East.

**Construction at ANR Robinson International Airport
(Relocation of Residents)**

Ms. Vandana Mohit (*Chaguanas East*): Thank you, Madam Speaker. Madam Speaker, will the Prime Minister give an update on the relocation of residents in Tobago to facilitate the construction of the terminal building at the ANR Robinson International Airport?

Madam Speaker: Prime Minister.

The Prime Minister (Hon. Dr. Keith Rowley): Madam Speaker, an update on this matter was given to the public by the Ministry of Finance on July 08, 2021, and I would not want to give that today as today's update because there have been changes

and improvements and progress since then. But if the hon. Member for Chaguanas East gives the appropriate notice to the appropriate Minister, I am absolutely certain that the required information can be made available.

Madam Speaker: Member for Oropouche East.

Dr. Moonilal: Thank you very, Madam Speaker. Is the hon. Prime Minister aware that there has been no further work or no further progress with the project between July to December 2021?

Madam Speaker: Prime Minister.

Hon. Dr. K. Rowley: Madam Speaker, if the Member was paying attention, he would have heard me say that there has been progress since and therefore, I do not want to give the July update as today's update for fear of giving obsolete information. And that is why I said, if the appropriate notice is given to the appropriate Minister, the update to give today's picture will be available.

Madam Speaker: Member for Oropouche East.

Dr. Moonilal: Thank you very much, Madam Speaker. Prime Minister given that this process of Prime Minister's Questions involves interdepartmental questions, do you not think it is also your duty to give a report on a matter of grave public importance?

Hon. Dr. K. Rowley: You are not going to tell me what my—

Hon. Members: [*Desk thumping*]

Dr. Moonilal: Because every question another hon. Minister—

Hon. Dr. K. Rowley: The Member for Oropouche West will not determine what my duty is. Madam Speaker, I do not wish to give the House incorrect or obsolete information and that is why I have said to my colleague from Chaguanas East that the update that was given in July is the last that we have. But if we need an update for a question from half an hour ago, if the appropriate notice under the appropriate

Standing Order is put, the Government can give an update as at December 13th.

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Oropouche East.

Dr. Moonilal: Thank you very much. Prime Minister, in the context of your response, would you have any update on the construction site for the relocation of those residents opposite the Inez Gate housing estate in Tobago, that construction site that is being used to relocate residents?

Hon. Dr. K. Rowley: Madam Speaker, I have no such information. That is a matter which is being dealt with by the Tobago House of Assembly and if the appropriate question is put with the appropriate notice, then that question could be adequately answered.

Dr. Moonilal: Madam Speaker—Prime Minister, given of course your knowledge of matters in Tobago, could you indicate whether the site at Shirvan Road next to Inez Gate housing estate is being constructed by Warner Construction?

Madam Speaker: Member for Oropouche East, I rule that question out of order. This does not arise out of the original question or the answers that have been given thus far. Member for Naparima.

Proposed Sale of Petrotrin Refinery (Status Update)

Mr. Rodney Charles (*Naparima*): Thank you, Madam Speaker. To the Prime Minister: Will the Prime Minister provide a status update on the proposed sale of the Petrotrin refinery?

Madam Speaker: Prime Minister.

The Prime Minister (Hon. Dr. Keith Rowley): Madam Speaker, there is an ongoing request for the proposal process for the refinery and it has been narrowed down to four interested parties. These parties have had access to the data room information and some have already visited the refinery. All parties—and by all

parties, I mean this last four—are to put in their proposals by December 15, 2021. Following such submissions, there will be an evaluation process. We are on target for those submissions to be in, in a couple days' time and we anticipate thereafter that an evaluation will be done and the matter will continue to progress.

Madam Speaker: Member for Naparima.

Mr. Charles: Could the Prime Minister indicate who are the four companies that are, at present, being looked at?

Hon. Dr. K. Rowley: Madam Speaker, I do not have that information but if the appropriate question is given to the appropriate Minister with the appropriate notice, that information can be made available.

Madam Speaker: Member for Naparima.

Mr. Charles: Would the Prime Minister confirm whether Patriotic Energies and Technologies Company Limited is one of them? And if it is one, how do you respond?

[Madam Speaker rises]

Mr. Charles: Sorry. Yes, yes.

Hon. Dr. K. Rowley: Madam Speaker, in the simplest of English language I have just said I do not have the information as to who the four are and therefore, I am not able to help the Member with Patriotic's presence or absence.

Madam Speaker: Member for Naparima.

Mr. Charles: Is the Government concerned with the deterioration of equipment at the plant given that the refinery has been closed for such a lengthy period?

Madam Speaker: Prime Minister.

Hon. Dr. K. Rowley: Madam Speaker, to the best of my knowledge, the owner of the refinery has been taking steps as best as it could to preserve the equipment and the equipment will be in the best condition available. And it is precisely because of

that why we have moved with alacrity to be in a position today to inform the House that we have four interested parties looking at the possible future of this piece of equipment.

Madam Speaker: Member for Naparima.

Mr. Charles: How does the Prime Minister respond to the concern expressed by many that the Patriotic Energies and Technologies Company Limited is being taken for a ride?

Hon. Dr. K. Rowley: I will not express any view on that since that is not part of the Government's business or its progress.

Madam Speaker: Member for Naparima.

Mr. Charles: "Oh", next question.

Madam Speaker: Question No. 4.

Security of Tenure of Nurses (Update)

Mr. Rodney Charles (*Naparima*): Will the Prime Minister provide the House with an update on the measures being adopted to address the issues of security of tenure of nurses in the public health care system?

Madam Speaker: Prime Minister.

The Prime Minister (Hon. Dr. Keith Rowley): Madam Speaker, the vast majority of nurses in the public health care system have security of tenure which is not an issue. But to the extent that there are nurses who have that issue, the matter is being addressed by the Ministry of Finance and the Chief Personnel Officer. The issue that is still outstanding is the size of the pension liability once they become permanent and the matter is being resolved in appropriate quarter as I have just mentioned.

Madam Speaker: Member for Naparima.

Mr. Charles: Given that international companies such as MSI Group Limited are actively recruiting our experienced registered nurses to work in the UK, the US and

elsewhere, is the Prime Minister satisfied that enough is being done to incentivize our nurses to stay in Trinidad and Tobago's hospitals?

Hon. Dr. K. Rowley: Madam Speaker, persons who stay in Trinidad and Tobago do so for a variety of reasons and not only with respect to Government incentives. So I could not indicate what will please all employees of the health sector who are nurses as to whether they would stay or not. But we do exactly what is available in Trinidad and Tobago and to the extent that we can do more or are doing more, that is what Trinidad and Tobago holds out to its citizens. And if better conditions occur and some people choose to follow those conditions, then, Madam Speaker, we wish them well but we try to make it comfortable and worthwhile for them to work in Trinidad and Tobago.

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Naparima.

Mr. Charles: An international magazine entitled *The Global Economies* ranks Trinidad and Tobago 7.2 out of 10 for human flight and brain drain.

Hon. Member: Question.

Mr. Charles: Would you—Prime Minister, are you concern that there is—the nurses are just an example of human flight and brain drain in Trinidad and Tobago?

Madam Speaker: Prime Minister.

Hon. Dr. K. Rowley: Madam Speaker, I do not agree and I do not know where that information is coming because I do not trust this Member for quoting from the local newspaper. So I am not going to respond to that.

Madam Speaker: Member for Couva South.

Mr. Indarsingh: Prime Minister, given the commitment that was given by the Minister of Finance in the budget presentation to complete the regularization of nurses and the pension liabilities issue by the end of December 2021, could you

assure this House that this exercise is on course to be completed by that timeline?

Madam Speaker: Prime Minister.

Hon. Dr. K. Rowley: I will not be able to do that because, as you know, these matters are not—while a ministerial decision might have been taken, the procedure is being handled by an officer who is independent of the Office of the Prime Minister and I do not know exactly where the matter is today. And therefore, I will not tell you but what I have just said is that the matter is being resolved by the Chief Personnel Officer who acts on behalf of the Minister of Finance and the Government.

Madam Speaker: Member for Naparima.

Highest rates of COVID-19 Deaths (Concern of)

Mr. Rodney Charles (*Naparima*): Thank you, Madam Speaker. Is the Prime Minister concerned that with almost similar climatic, demographic, and social characteristics as our Caricom neighbours, Trinidad and Tobago has among the highest rates of COVID-19 deaths per capita in the world?

Hon. Dr. K. Rowley: Madam Speaker, if we had taken the advice of our colleagues who is just reading this out and use climatic response to COVID where sunshine was supposed to kill COVID—

Hon. Members: [*Desk thumping*]

Hon. Dr. K. Rowley:—we certainly would have had the worse condition in the world. And, Madam Speaker, we not are considered to have the highest case fatality rate in Caricom. CFR is calculated by the total number of deaths, divided by the total number of positive cases which is the global standard. Our CFR is 2.98 with the global case fatality rate varying considerably based on the point in time it is calculated and the methodology used by different countries to ascribe cases and deaths.

The range goes from 0.1 to 19.5, with our CFR of 2.98 placing us 44th in the

world and the 51st in debts per capita. The premise of the question from my colleague from Naparima, as usual, is inaccurate since our demographic profile is in entirely different to the rest of Caricom and we have one of the highest rates of NCDs in Caricom incidentally, Madam Speaker.

Madam Speaker: Member for Naparima.

Madam Speaker: [*Desk thumping*]

Mr. Charles: Is the Prime Minister aware that data from John Hopkins University places us first in the world on a per capita basis for COVID deaths?

Hon. Dr. K. Rowley: Madam Speaker, these things have been varying for the last two years, and our colleagues are only concerned about where we are when they think we are in a bad position. When we are in a good position—

Hon. Members: [*Desk thumping*]

Hon. Dr. K. Rowley: When we are in a good position, they dismiss it. Right?

Hon. Members: [*Desk thumping*]

Hon. Dr. K. Rowley: But COVID has been varying with respect to its level of infection, spikes and deaths. So we, Madam Speaker, this Government, the people of Trinidad and Tobago, we have been there in the ups, we have been there in the downs and, Madam Speaker, we are going to fight this battle and win it like every other country.

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Naparima.

Mr. Charles: May I suggest, Prime Minister—

Madam Speaker: Member—

Mr. Charles: [*Inaudible*]—the question. I am asking the question.

Madam Speaker: Member, I think it is about time you become familiar with the Standing Orders and particularly, I will refer you to Standing Order 30. Okay? Please

ask your question.

Mr. Charles: Mr. Prime Minister, it is either the incompetence of the COVID medical team—

Hon. Members: [*Inaudible*]

Mr. Charles:—or which is it?

Hon. Members: [*Inaudible*]

Mr. Charles: Mr. Prime Minister, which is it?

Hon. Member: “Cyah even make sense”.

Madam Speaker: Again, please refresh your memory with Standing Order 30 and you are invited to ask your question.

Mr. Charles: Which is it, Prime Minister, the incompetence of COVID medical management team or our porous borders that makes us unique in terms of COVID deaths in Caricom?

Madam Speaker: Again, Member, I rule it out of order. You are not allowed to ask questions for options. Member for Couva South.

**Captain Arthur Cipriani Statue
(Concealed of)**

Mr. Rudranath Indarsingh (*Couva South*): Thank you very much, Madam Speaker. Will the Prime Minister explain why the Office of the Prime Minister and UDeCOTT chose to conceal the memorial statue of national hero, Captain Arthur Cipriani in Port of Spain behind an ornamental structure?

Madam Speaker: Prime Minister.

Hon. Dr. K. Rowley: Madam Speaker, the clothing or exposure of Captain Cipriani in Port of Spain is a matter for the Port of Spain Corporation. With respect to the Christmas decorations around the statue, I too have had the same question and it is not a matter to be dealt with by the Office of Prime Minister. And to the best of my understanding that matter is being dealt with by the Port of Spain Corporation

assisted by UDeCOTT and I think I have seen where Captain Cipriani is being unclothed for the Christmas season.

Madam Speaker: Member for Couva South.

Mr. Indarsingh: Thank you very much, Prime Minister. Taking into consideration that UDeCOTT falls under the Office of the Prime Minister—

Madam Speaker: [*Desk thumping*]

Mr. Indarsingh:—would your office and UDeCOTT consider offering an official apology to the labour movement and workers of Trinidad and Tobago—

Hon. Members: [*Desk thumping*]

Mr. Indarsingh:—in the context of what transpired?

Madam Speaker: Prime Minister.

Hon. Dr. K. Rowley: Madam Speaker, there is a great distinction between the Office of the Prime Minister and the Port of Spain Corporation. What went on in the Port of Spain Corporation is a decision of the Port of Spain Corporation and if there is to be any apology, if that is what my colleague is looking for, I will ask you to ask the Mayor of Port of Spain about it. I assume no responsibility for it.

Madam Speaker: Member for Couva South.

Mr. Indarsingh: So, Prime Minister, as the head of the Government of Trinidad and Tobago, are you telling the country that you are distancing yourself from the Ministry of Rural Development and Local Government as it relates to this decision?

Hon. Members: [*Desk thumping*]

Hon. Dr. K. Rowley: I am distancing myself from the authority of the office of the Mayor of Port of Spain with respect to Christmas decorations.

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Couva South.

Mr. Indarsingh: Prime Minister I do not know if you are in the position—

Madam Speaker: Member—

Mr. Indarsingh:—as the head of the Government—

Madam Speaker: Member, ask the question.

Mr. Indarsingh: Prime Minister, are you in a position to inform this House of the cost of the decorations in relation to the fiasco that transpired?

Hon. Dr. K. Rowley: I do not know about any fiasco. But if what you referring to is the cost of decorations, the answer is no, I have no such information.

Madam Speaker: Member for Couva South.

Alarming Rise of Food Import Bill (Government's New Initiatives)

Mr. Rudranath Indarsingh (*Couva South*): Thank you, Madam Speaker. Prime Minister, in light of the fact that as at last year our food import bill stood at \$5.7 billion, or 43 per cent increase from what it was in 2015, will the Prime Minister state what has the Government done to arrest and address this worrying development, inclusive of new initiatives to deal with this alarming rise in the food import bill?

Madam Speaker: Prime Minister.

The Prime Minister (Hon. Dr. Keith Rowley): Madam Speaker, considering that my colleague and his friends spent the last year telling the country and the world that people in Trinidad and Tobago were starving because they did not have any money to buy food, I believe, Madam Speaker, that the Member on reflection would want to tell us the source of the information which says that our food import bill has increased by 43 per cent. Madam Speaker, I know of no reputable source of information that could confirm that and therefore, I will not respond to that. However, I will tell the Member there have been a number of initiatives which have been geared toward improving our food production in Trinidad and Tobago, starting with a \$500 million expenditure from our COVID recovery programme which is a

stimulus package to the agricultural sector which is working quite well.

We have also got agricultural financial support grants for up to \$100,000 for agricultural initiatives. We are boosting the agri-processing sector with the Moruga agro park. We have a number of PPPs underway in Aripo, the National Seed Bank, the La Gloria estate. And we are partnering with other Ministries, the Ministry of Youth Development and National Service, and the Rural Development and Local Government Ministry in the Homestead Programme in El Reposo and Talparo to bring more lands and more young people into agriculture.

We have the Greenhouse Park Project with the Government of Trinidad and Tobago and the People's Republic of China and we are accelerating, with great success, the land tenure and the granting of leases for persons on State lands who are engaged in agriculture.

2.00 p.m.

And, Madam Speaker, I myself could tell you that as a registered farmer since 1976 at the personal level, I have been making my own personal contribution towards the national food supply situation.

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Oropouche West.

Mr. Tancoo: Thank you, Madam Speaker. Mr. Prime Minister, hon. Sir, the fiscal incentives programme for agriculture that you have just mentioned for which \$500 million was budgeted for 2021 fiscal, are you aware that only 10 per cent of that was used in fiscal 2021?

Hon. Members: [*Desk thumping*]

Madam Speaker: Prime Minister.

Hon. Dr. K. Rowley: Madam Speaker, I do not expect to hear anything else from the other side because whenever they quote numbers, it is not correct and if the

Member is prepared to misinform the House, then he is alone with that. Madam Speaker, that budget has been targeting a number of agricultural initiatives. Most of them have a gestation period and some of them do have cost from one fiscal year into the other, so it is not correct to say that only 10 per cent of it has been utilized or earmarked.

Madam Speaker: Member for Oropouche West.

Mr. Tancoo: Thank you, Madam Speaker. Mr. Prime Minister, Sir, the information presented just now that 10 per cent of the fiscal incentive programme came from—

Madam Speaker: Member, no preambles please ask the question.

Mr. Tancoo: My apologies, Ma'am. Can the Prime Minister confirm whether he is aware that at the Standing Finance Committee of this House, just recently held, this information of 10 per cent of the fiscal incentives for agricultural allotment, that is where that money came from, 10 per cent was actually spent? Is the Prime Minister aware of that?

Hon. Members: [*Desk thumping*]

Madam Speaker: Prime Minister.

Hon. Dr. K. Rowley: Madam Speaker, I am not responsible for the education of the Member for Oropouche West. I just said that the allocation has been made as a stimulus and it applies to a number of programmes that cross fiscal years. So therefore, to pick at a point in time—there was a time when it was only 1 per cent on the day when it started that and programme continues. So unless the Member is prepared to say exactly where the 10 per cent is measured from, I cannot assist him.

Madam Speaker: Member for Couva South.

**Removal of VAT on All Food
(Government Consideration)**

Mr. Rudranath Indarsingh (*Couva South*): Thank you very much. Prime Minister, as a result of the increase in the food import bill which has resulted in increased food

prices and hardship on the people, will the Government consider the removal of VAT on all food for the Christmas period?

Hon. Members: [*Desk thumping*]

Madam Speaker: Prime Minister.

The Prime Minister (Hon. Dr. Keith Rowley): Madam Speaker, the Government has addressed this matter very early and one of the things that we did was to remove VAT from all food items which are considered to be components of the basic diet and we have in fact increased the taxation on luxury items so as to discourage importation on what we term luxury items. So this matter is attracting the attention of the Government, action has been taken and overall, Madam Speaker, we have taken a package of actions which will have the effect, one, of encouraging a reduction in the importation and encouraging the consumption of local production. But, Madam Speaker, this matter has its root in consuming what you produce and producing what you consume.

Madam Speaker: Member for Couva South.

Investigation into Granting of Firearm User Licence (Report Conducted)

Mr. Rudranath Indarsingh (Couva South): Will the Prime Minister inform this House when the report conducted by the two private citizens who were hired by the Office of the Prime Minister to conduct an investigation into the granting of Firearms Users Licences by the Police Service will be laid in this Parliament?

Madam Speaker: Prime Minister.

The Prime Minister (Hon. Dr. Keith Rowley): I was not aware, Madam Speaker, that it was a parliamentary document to be laid in this House.

Hon. Members: [*Desk thumping*]

Hon. Dr. K. Rowley: What I could say, Madam Speaker, is that that report, among others, forms an exercise of national security which is currently underway and will

move to conclusion at the appropriate time.

Madam Speaker: Member for Couva South.

Mr. Indarsingh: Prime Minister, could you inform this House whether the said persons who are hired through the Office of the Prime Minister had been previously engaged by the State during your tenure as Prime Minister to provide similar services to the State?

Madam Speaker: Prime Minister.

Hon. Dr. K. Rowley: Madam Speaker, I have no idea of what he is talking about. The two persons who were not hired but who were asked to provide public service pro bono to do this exercise were senior officers, one in the Police Service, one was the Chief of Defence Staff and therefore they were on the Government service at some time. There was no peculiarity with respect to any hiring for any job other than where they were and I do not know why this matter is being misrepresented on an on-going basis or on whose behalf.

**State Settlement of Wages and Salaries
(Nineteen Contract Officers)**

Mr. Rudranath Indarsingh (*Couva South*): Will the Prime Minister inform this House of the total financial sum paid out by the State to settle the wages and salaries of the 19 contract officers who were formerly attached to the office of the former Commissioner of Police of Trinidad and Tobago?

The Prime Minister (Hon. Dr. Keith Rowley): Madam Speaker, to the best of my knowledge, that matter is—the payment to the people, whether is for vacation or whether it is for residual aspects of their contracts, that matter is still underway and on conclusion, the appropriate answer with the appropriate answer can be had with the appropriate notice.

Madam Speaker: Member for Couva South.

Mr. Indarsingh: Could the Prime Minister inform this House if all the said contract

positions have been filled by the Trinidad and Tobago Police Service?

Hon. Dr. K. Rowley: Madam Speaker, such a question requires notice and if the notice is given, the appropriate Minister can provide that sometime in the future.

Madam Speaker: Member for Couva South.

Mr. Indarsingh: Prime Minister, do you consider it good industrial relations practices to terminate workers and not set aside financial sums to have what I would call an efficient settlement of their outstanding liabilities to facilitate them to be able to deal with the challenges of their daily lives?

Madam Speaker: Prime Minister.

Hon. Dr. K. Rowley: I am happy that my colleague from Couva South has got an interest in settlement for officers especially those in national security, because when you were paying \$2 million to settle Brigadier Joseph and the 20 people from the security services who were dismissed by the Government of which you were a part, where was your interest in good industrial relations?

Hon. Members: [*Desk thumping*]

Hon. Dr. K. Rowley: Where was your interest then? Twenty highly trained people in national security, you dismissed them summarily, costing the country millions of dollars but coming here today to ask me about 19 people. Eh?

Mr. Indarsingh: [*Inaudible*]

Madam Speaker: Member.

Hon. Dr. K. Rowley: I am glad you have come alive. I am glad you come alive.

Mr. Indarsingh: Answer the question.

Hon. Dr. K. Rowley: I have just answered your question and I said I am very happy that you now know.

Madam Speaker: Okay, so Members, let us move on.

URGENT QUESTION

UNREVISED

**Passenger Positive with Omicron Variant
(Arrival in Trinidad and Tobago)**

Dr. Rishad Seecheran (*Caroni East*): To the Minister of Health: Will the Minister indicate the circumstances which allowed a passenger who tested positive for the Omicron variant of COVID-19 to board a flight in New York and arrive at Piarco International Airport?

The Minister of Health (Hon. Terrence Deyalsingh): Thank you very much, Madam Speaker, and good afternoon to you and members of this honourable Chamber. The person in question boarded a flight in New York on December 9th, 2021. To understand what happened, we must explain how the TT Pass works. All individuals using TT Pass must answer a questionnaire as truthfully as humanly possible or truthfully. To support those truthful answers, the individual is supposed to upload their documents to support and validate what they answered.

At check-in counter with the airline, the airline is supposed to scrutinize the hard copies at both the point of embarkation in New York or anywhere else and they are also scrutinized at the point of disembarkation as what happened in Piarco. There are two further checks and balances to verify the uploaded information. The final check and balance is at Piarco International Airport and this was picked up where the officers noticed that the PCR test was in fact a positive result test. I want to recognize and hail our port health officers at Piarco for being diligent in executing their task.

Hon. Members: [*Desk thumping*]

Hon. T. Deyalsingh: They have been the subject of abuse by passengers over the past few months and they are to be congratulated. And it is this last check and balance at Piarco that caught this particular—so it is a joint responsibility with the airline, not the Ministry of Health in Trinidad and Tobago, the airline and the check-in counter to ensure that the PCR results or any other documents are actually valid

and that is what did not happen in this particular case in New York. Thank you very much, Madam Speaker.

Madam Speaker: Member for Oropouche East.

Dr. Moonilal: Thank you very much. Minister, could you please identify the—give the identity of the airline that bears the responsibility, according to your answer, for this very serious debacle?

Madam Speaker: Minister of Health.

Hon. T. Deyalsingh: Madam Speaker, that is currently being investigated and between the Immigration Department and the Civil Aviation Authority, they will make their identification and do the necessary investigations. At this point in time, I do not know the name of the airline.

Madam Speaker: Member for Oropouche East.

Dr. Moonilal: Mr. Minister of Health, are you saying that five days have elapsed and you cannot get the identity of an airline from a boarding pass of a passenger that you have identified, after five days? Is that what you are saying to this country?

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Oropouche East, you have 15 seconds to ask a question. Minister of Health.

Dr. Moonilal: [*Inaudible*]

Hon. T. Deyalsingh: Madam Speaker, there was also a part of the leg of the journey which occurred in Panama so it is not five days. Also it is not the responsibility of the Minister of Health to do this. It is the responsibility of the airline.

Hon. Members: [*Crosstalk*]

Madam Speaker: Listen, a question was asked, I am sure we all want to hear the answer but if Members continue to talk above the Minister, “we not gonna get the answer”. Minister.

Hon. T. Deyalsingh: And the question being asked by Oropouche East is of no surprise to me because they have been seeking to sabotage every aspect of the Government's COVID response from day one—

Hon. Members: [*Desk thumping and interruption*]

Hon. T. Deyalsingh:—and this is another attempt—

Dr. Moonilal: Standing Order 48(6), this is imputing improper motives.

Mr. Indarsingh: Nonsense.

Dr. Moonilal: The Minister cannot identify an airline from a boarding pass.

Madam Speaker: Member for Oropouche East.

Mr. Hinds: Which boarding pass?

Dr. Moonilal: Both.

Madam Speaker: Member for Oropouche East.

Hon. T. Deyalsingh: It is not the Minister of Health's duty, good friend, to identify a boarding pass. Port health did their due diligence and the information has been passed on to the relevant authorities which includes—

Dr. Moonilal: [*Interruption*]

Hon. T. Deyalsingh:—Civil Aviation Authority and the Immigration Department. We will work as team. We have done our part.

Dr. Moonilal: Why— [*Inaudible*]

Madam Speaker: Member for—

Dr. Moonilal:—the identity of the airline.

Madam Speaker: Member for Oropouche East, one minute. While I understand your interest, passion, concern, you are one of the most senior Members here, we are under the matter of Urgent Questions. Two supplement questions have already been asked by you.

ORAL ANSWER TO QUESTION

The Minister of Planning and Development (Hon. Camille Robinson-Regis):

Thank you very much, Madam Speaker. There is one question for oral answer and we will answer that question. There are no questions for written response.

**Repair of Roadway
(Southern Main Road, California)**

25. Mr. Rudranath Indarsingh (*Couva South*) asked the hon. Minister of Works and Transport:

Will the Minister inform this House, given the number of potholes on the Southern Main Road between Roop's Junction to Savonetta Junction, California, when the said roadway will be repaired?

The Minister of Planning and Development (Hon. Camille Robinson-Regis): Madam Speaker, on behalf of the Minister of Works and Transport, the section of the Southern Main Road between Roop's Junction to Savonetta Junction, California—

Madam Speaker: One minute. Member for Naparima, maybe if you face this way, you would not be so taken off track from where we are. Maybe if you face this way.

Hon. C. Robinson-Regis: Thank you very much, again, Madam Speaker. The section of the Southern Main Road between Roop's Junction to Savonetta Junction, California is located between the 35.2 kilometre mark and the 43.0 kilometre mark and falls within the Caroni district. The Highways Division is currently conducting patching works along the Southern Main Road using its in-house team. The works which are in progress include the section referred to and will be dealt with during the upcoming weeks. Strip paving will also be done in various areas of this road as deemed necessary subject to the availability of funds. Thank you, Madam Speaker.

Madam Speaker: Member for Couva South.

Mr. Indarsingh: Madam Speaker, given the Government's track record as it relates to the availability of funds, could the Minister inform this House if she deceiving the constituents of Couva South—

Madam Speaker: No, no, no, no, no, no, one minute. Member for Couva South, I will ask you to withdraw that and if you wish to—one, you would stand up and withdraw and secondly, if you wish to ask a supplement question that is within the Standing Orders, you may.

Mr. Indarsingh: Thank you very much, Madam Speaker.

Mr. Young: [*Inaudible*]

Mr. Indarsingh: To the Minister of Energy, the same thing—

Madam Speaker: First I was very—Member?

Mr. Indarsingh:—“you does be drinking, I does be drinking”.

Madam Speaker: Member, I was very specific. I said first you must withdraw—

Mr. Indarsingh: Yes.

Madam Speaker: —then you can ask a question within the Standing Orders.

Mr. Indarsingh: Thank you very much, Madam Speaker. I withdraw and I ask the Minister: Given the response as it relates to the availability of the funds, could you inform the constituents of Couva South whether the total road rehabilitation that you alluded to will be done during this fiscal year?

Madam Speaker: Minister.

Hon. C. Robinson-Regis: Thank you very much, Madam Speaker. As I said, once funds are available, we will proceed. Madam Speaker, we have been proceeding with this road patching and paving and I am sure the Member for Couva South is well aware of this. It has not stopped and we will continue as we have been doing. Thank you, Madam Speaker.

FINANCE (NO. 2) BILL, 2021

Order for second reading read.

The Minister of Finance (Hon. Colm Imbert): Thank you very much, Madam Speaker. I beg to move:

That a Bill to make provisions of a financial nature and other related matters be now read a second time.

Madam Speaker, before you is the Finance (No. 2) Bill, 2021 which is designed to put in place the fiscal measures that were announced in this House on October the 4th and other significant measures that the Government felt were deemed appropriate. The Bill contains 15 clauses and it amends a series of other pieces of legislation.

The first clause is quite typical and that is the explanatory note. Sorry, the first clause is the short title of the Bill. The second clause is in response to a request from persons involved in the gaming and gambling sector. During 2020, the Government took the difficult decision as a result of the situation with the COVID-19 virus to prohibit the operation of bars, clubs as defined under the Registration of Clubs Act and common gaming houses or betting offices for the purpose, as I indicated previously, of controlling and preventing the spread of the virus. As a result, the gambling industry was mandated to close in full for approximately five months of 2020, which constitutes approximately 42 per cent of that year. By virtue of various pieces of legislation that exist and govern the gambling industry, persons operating in this sector were required to pay fees and gaming taxes on an annual basis in advance for the year 2020. So that the situation in the gambling and gaming sector is that fees and taxes must be paid in advance.

Clauses 4 and 14 of the Bill are meant to bring relief to this sector by implementing for the year ending 31st of December 2020, firstly, a reduction in the annual gaming tax by 42 per cent. The clauses also provide for a refund of that 42 per cent of the tax so paid in accordance with the Registration of Clubs Act and the Liquor Licences Act respectively. This is because we have two different groups here. We have persons in the gambling sector who would not have paid the licences and fees and taxes that were required and persons who had paid. So that the clauses in

the Bill are intended to provide for a refund for those who did not pay and provide for a remittance for those who did pay or vice versa—provide a refund for those who paid and a remittance for those who did not pay. Sorry about that.

Clause 2 of the Bill implements a reduction in fees by 42 per cent and a refund of the said 42 per cent paid to the Board of Inland Revenue or the Betting Levy Board under the Gambling and Betting Act. The refund will be made as I indicated where it is proven either to the satisfaction of the Board of Inland Revenue or the Betting Levy Board that the fees and taxes were actually paid. In the case of those who have not paid, there will be a remittance of that 42 per cent of what they should have paid.

I now move to clauses 3 and 13 of the Bill. This addresses a matter that has been in the public domain for quite a long time and like other countries, and we have used an example out of Jamaica as our template, in other countries, Ponzi schemes, pyramid schemes and other similar schemes are unlawful. We do not have specific legislation in Trinidad and Tobago that criminalizes Ponzi and pyramid schemes and schemes of that nature. There are various provisions in various pieces of legislation that would allow the authorities, the police and so on, to act once the scheme, whether it is a pyramid scheme or a Ponzi scheme, falls within particular definitions in the Securities Act and some of these operators are quite clever and clearly familiar with some of the grey areas in the law and therefore have attempted—I am not saying they are going to get away. They have attempted to get around the areas of the law with their Ponzi schemes and their pyramid schemes. So clauses 3 and 13 address the criminalization of these schemes under the Proceeds of Crime Act and the Securities Act.

As I just said, in the public domain, in and around September of 2020, there were many reports in the local media and otherwise suggesting the operation of a

well-organized money laundering scheme under the guise of a pyramid scheme in Trinidad and Tobago. The allegations were so serious that the matter quickly gained the national spotlight and created dialogue on the existence of Ponzi, pyramid and other schemes operating in parallel to what is known in local parlance as “ah sou sou” which is quite a legitimate operation whereby persons would contribute on a regular basis towards what is called in local parlance “ah hand”. So persons would put \$500 a month, for example, for six months and they will wait their turn for their hand which would be five by six less a very small amount for the person who is managing the “sou sou”, sometimes there is no charge whatsoever. That is our local cultural “sou sou”, and these schemes were operating in parallel with these quite legitimate “sou sou” arrangements.

The Government has been looking at this matter for a very long time and has noted the deleterious effects of Ponzi and pyramid and other similar schemes on the economy and on the vulnerable in society. With that in mind, clause 13(b) of the Bill establishes a comprehensive definition of the term “prohibited scheme” and this is to ensure that there is no ambiguity or any loophole or lacuna in the law that would allow persons in the future to establish and operate one of these schemes. And if I read from clause 13:

“Prohibited scheme”

165A, an amendment of the Securities Act:

“For the purposes of this Act, “prohibited scheme” means a scheme in which—

- (a) a business is structured in such a way that the returns an investor or client earns is directly tied to the number of persons he recruits to join this scheme;”

And this is the typical infrastructure in a Ponzi scheme or a pyramid scheme. It relies

upon the recruitment of other persons in the scheme. So a “prohibited scheme” is a business structured in that way, that it depends on the number of persons that a person recruits to join the scheme. Additionally, in part (b) of this amendment, this is 165(b), it also involves:

“the amount of income a person earns while participating in the scheme”—
and this—“depends on his rank in the scheme where such rank is related to
when a person joins the scheme;”

So in a pyramid scheme, as more and more persons come in, as you recruit more and more persons, the amount of income the recruiter, if you want to use that word, expands. So you recruit more and more and more people and you get more and more money. That is another feature of the infrastructure of a Ponzi scheme or a pyramid scheme.

Part (c):

“the amount of income a person earns while participating in the scheme is
directly tied to or depends on his success in recruiting other persons to join
the scheme;”

So you have the concept of the number of persons recruited and also you have incentives that are paid to persons in these schemes where they get incentive payments depending on how successful they are in recruiting other persons to join the scheme.

Another feature of a prohibited scheme, a Ponzi scheme, a pyramid scheme is:

“a person is required to purchase a financial product or a financial training
offered by the scheme before he can participate in and earn income from the
scheme, and neither the product nor the training can be offered for resale to
the general public;”

(e):

“A person is required to pay advance fee, either as a lump sum or by instalments, in order to receive a larger financial return which is solely based on the number of persons recruited in the scheme;”

So again, with these Ponzi and pyramid schemes, there is a multiplier effect based on advance payments upfront that you can multiply the amount that you would normally get from recruiting a number of persons or being successful in recruiting persons.

(f):

“part of the marketing or promotion of the scheme involves an assertion or statement guaranteeing or promising that participation in the scheme will result in returns which far exceeds the returns offered in the securities market;”

And that matter that burst on the scene in September 2020 would have had many of these features where there is a promise that persons will get returns that far exceed anything they can get anywhere else in the stock exchange or in the banking sector and so on.

(g):

“an aggregate public scheme requires contributions to a pool of investment, and guarantees or promises a larger payout based on the number of persons recruited...”

(h):

“an investment scheme provides an investor with returns derived substantially from investments made by other investors in the scheme, rather than from...profits...”

So this is not a product which yields a return based on investments. It is simply yields

returns based on the number of persons in the pyramid. A pyramid, as you know, is a triangular shape and the bottom of the pyramid would have the largest number of persons. And this occurs whether or not the name Ponzi is used by any person in connection with the scheme. In fact, no one operating a Ponzi scheme will say that unless they are very foolish.

2.30 p.m.

“(ii) whether or not the scheme limits the number of persons who may participate therein, either expressly or by the application of conditions affecting the eligibility of a person to enter into, or receive compensation under, the scheme.”

And the rest of this clause goes on to give the various offences.

“(2) A person who establishes or operates a prohibited scheme is liable on summary conviction to a fine of ten million dollars and to imprisonment for ten years.

(3) A person who knowingly participates in a... scheme”—of this nature—“is liable on...conviction to a fine of five million dollars and to imprisonment for five years.

(4) A person who knowingly advertises or invites another person to join a prohibited scheme is liable on summary conviction to a fine of two million dollars and to imprisonment for three years.”

And the section of Securities Act that is to be amended would have all of these additional features now. We now have clauses 165A(1), 165A(2), A(3), A(4), and so on, that give the penalties.

I want to repeat that the traditional sou-sou arrangement is not being prohibited or outlawed because the traditional sou-sou does not have any of these features here with respect to promises of earning far more than you could get if you

invested your money in a traditional investment security, and so on.

Moving on, clauses 5(a), 10(a), and 12(a) of the Bill remove respectively all motor vehicle tax, all value added tax and all customs duty on both new and used passenger electric motor vehicles and passenger electric motorcycles. While in the past, similar concessions were granted, these exemptions at that time were restricted to certain motor sizes. There is no restriction at this time on the size of the electric motors in this particular bit of legislation. And this is intended to incentivize the public into the rapid adoption of these environmentally-friendly passenger motor vehicles and motorcycles, not just environmentally-friendly, they will not consume motor fuel diesel and gasoline, and so on. They would not create carbon emissions. They would not create gases that could affect the ozone layer, and so on and it is part of our commitment to our joining with many other countries in the Paris arrangements and in the recently concluded COP 26 arrangements. However, we are limiting the concessions, the tax waivers, value added tax, motor vehicle tax, customs duty for used electric passenger motor vehicles and motorcycles with an age limit of two years.

There is a reason for this, and that is the technology is constantly evolving and the older electric vehicles had batteries that were not as efficient as the ones that are being manufactured and created nowadays. And one of the problems with electric vehicles, in some of the advanced economies, some of the developed countries, is that it becomes very difficult to dispose of the batteries for these electric vehicles, the older models and many countries would be very glad to get rid of electric vehicles that have reached the end of their useful life. And the battery in the electric vehicle, for those who know a little bit about it, is a very major component and can cost significant sums of money. So that is the reason why we are limiting the age of a used electric vehicle to two years, because of that battery problem.

With advances in technology, the batteries nowadays are much better than they used to be and last much longer. They now could last as much as eight years. But in the past, these batteries had reached the end of their useful life within three years. So this is something that will evolve as time goes by, and it is a starting point for this measure. And that is why at this time we are limiting used electric vehicles to two-years, because of that battery problem.

Clause 5(b) of the Bill deals with infrastructural damage that is done to the country's roadways by overweight trucks by increasing the penalties for overweight good vehicles from \$750 as a fixed penalty to \$4,000 and the demerit points for those persons who drive these overweight vehicles will move from three points to four points. And we expect that the Ministry of Works and Transport, now that this measure is going to come into being, will carefully monitor these overweight trucks at the weight control stations that are currently established at Caroni and Golconda to ensure compliance.

Clause 6 of the Bill amends the Port Authority Act to provide the authority with exemptions on value added tax for the purpose of carrying out its functions on the acquisition of plants, machinery, appliances, apparatus, equipment and materials of every kind.

Notably, section 35 of the Port Authority Act which has been in existence for many years, already exempts the authority from customs duty on this, all of these items, the equipment, materials, et cetera. So that this is just a harmonization to bring parity between the exemption on customs duty and the exemption on value added tax for the Port Authority. What happens now is a rather cumbersome administrative process where the Port Authority would have to apply for an exemption or a refund for value added tax on an individual basis. So this is just to make it crystal clear that, not only will customs duty be waived for equipment, machinery, et cetera, for the

Port Authority, but also value added tax for these items.

In keeping with our policy which we have systemically improved over the last six years to make it as easy as possible for persons to become first-time homeowners, clauses 7(b)(i) and 7(b)(iii) of the Bill amend section 18A of the Income Tax Act to provide for an increase in the tax allowance for first-time homeowners from \$25,000 per annum to \$30,000 per annum. And the applicable period for this allowance remains the same for the first five years from the year in which the house was acquired.

Similarly, to encourage people to save, we are amending section 28(15) of the Income Tax Act by way of clause 7(c) of the Bill to allow increased deductions for contributions to approved pension fund plans, approved deferred annuity plans, tax savings plans, widows and orphans funds, National Insurance payments. We are amending the section of the Income Tax Act to allow an increased deduction from the current \$50,000 in aggregate to \$60,000, again to encourage people to save and to save for their retirement in particular.

With respect to clause 7(d) of the Bill, this amends the Third Schedule to reduce the rate of withholding tax on any distribution to 8 per cent and reduces the rate of withholding tax made on a distribution to a parent company on 3 per cent. And this is designed to actively encourage foreign investment activity in Trinidad and Tobago. It is one of the areas that we had been asked to look at to encourage foreign investment.

Clauses 7(a) and 7(b)(ii) of the Bill are meant to clean up the Income Tax Act by replacing outdated references to the land and building tax and municipal corporations tax that still exist in contradiction to the Property Tax Act. So that is just to clear that up.

Clauses 8(b) and 11 of the Bill deal with small and medium enterprises listing

on the Trinidad and Tobago Stock Exchange and we are continuing to encourage small and medium enterprises to list on the stock exchange, because with that, when these entities become public companies, they get the necessary discipline that many small and medium enterprises do not naturally have. Madam Speaker, how much more time do I have?

Madam Speaker: Your time expires at 2.47.

Hon. C. Imbert: Thank you very much. One of the things we found when we launched our SME Loan guarantee Programme, Phase 1, the first phase, we found that a lot of small and medium enterprises, they do not have proper discipline in terms of keeping accounts. They do not have audited accounts. They do not have management accounts. A lot of these SMEs live from day to day. They do not have inventories of their fixed assets, their other assets, and so on. They do not have proper inventories of their property. They do not have proper management systems, and so on, industrial relations and things like that. But when you become a public company and any shareholder can ask a question at an annual general meeting, then these listed companies have to be very careful about the integrity of their operations. And one of the ways that one can move towards that, is to encourage small and medium enterprises to list on the stock exchange. It also allows the public to get involved in various types of investments and it also would allow these SMEs to raise funds for capital development and expansion, and so on.

So clause 8(b) of the Bill grants relief by way of reducing the rate of business levy to 0 per cent for the first five years from listing and 50 per cent for the next five years. After that, the prevailing rate of business levy will apply. Similarly, clause 11 of the Bill grants relief by way of reducing the rate of Green Fund levy to 0 per cent for the first five years from listing on the stock exchange and 50 per cent for the next five years and then the prevailing rate of Green Fund levy will apply.

Clause 8(a) of the Bill amends section 3(2)(b) of the Corporation Tax Act to clearly establish the rate of 50 per cent of the prevailing rate of Corporation Tax for SMEs listed on the Trinidad and Tobago Stock Exchange for the second five-year period.

With respect to our Phase 2 of the SME Loan guarantee Programme, clause 8(c) of the Bill extends the period for the year ending 2026 to the year ending 2028, for the exemption of corporation tax on interest income generated by the banks who are part of it. So it is a symbiotic process, government, really tripartite, government, banks, customers. We all have a part to play in this guarantee Loan Programme for SMEs and one of the ways in which we have been able to offer zero interest for persons who would benefit from these loans, is that we are exempting corporation tax on interest income generated by the banks on the programme.

This Phase 2 was launched. You would have seen the advertisements in the newspapers recently. We have at least four banks participating, FCB, RBC, Republic, Scotia, and other banks want to get involved and the provisions of this loan guarantee programme, very simply, the payback period is seven years. The first two years is a moratorium, no requirement to pay. You pay in the last five years. You pay no interest at all. And it is guaranteed by the Government 100 per cent. And, in terms of our recognition, that many SMEs are not disciplined, we are allowing SMEs to avail themselves of the loan facility by relaxing some of the eligibility criteria. So that they simply have to be up-to-date to the end of December 2018, where their statutory obligations like NIS, tax, and so on and they get one year to get up-to-date for '19 and '20.

Moving on, clause 8(d) of the Bill is part of our policy in the budget where we are giving a tax allowance for companies involved in research and development. And we defined research and development as:

UNREVISED

“...a process intended to create a new or improved product.”

Additionally, another policy measure in the budget, heritage conservation. Clause 8(d) of the Bill inserts a new section 10V under the Corporation Tax Act, allows for an allowance equal to 150 per cent of actual expenditure up to \$1million “in the conservation or preservation of a property of interest”. So that means:

“...any monument...any fossil, place or site of natural beauty or national, historic, scientific or archaeological interest;”

And the Minister of Planning and Development will be required to certify the buildings and monuments that would qualify for this allowance.

Clause 8(e)(ii) of the Bill also provides incentives. We have many incentives in this last budget, for the manufacturing sector, so that there will be a reduced corporation tax for, on a part of the earnings of particular companies involved in information technology, digitization technology development. This is not applicable to oil companies and petrochemical companies.

In terms of the digital sector, again, clause 8(e)(ii) of the Bill provides incentives for companies whose core business is technology solution and digitization. And, again, they would have significant reduction of the prevailing rate of corporation tax. Essentially, these companies will now pay corporation tax of 15 per cent, as opposed to 30 per cent.

Again, in keeping with our green agenda, we have incentives for companies involved in carbon capture and storage and enhanced oil recovery, and carbon capture is defined as:

“...technology which prevents or removes carbon emissions from the atmosphere and stores captured carbon emissions for reuse in manufacture or stores the captured carbon emissions underground or otherwise;”

Enhanced oil recovery is defined as:

“...the increased recovery of crude oil from a reservoir by using various methods, including steam, water flooding or gas injection...”

—and so on.

Again, as part of our policy to help the differently-abled, we are again removing duty and VAT on a number of articles to help those who are visually impaired and those who are physically impaired, such as walking canes and white canes and other things that currently attract customs duty and value added tax.

Clause 12(b) of the Bill will deal with articles necessary for physically or mentally-handicapped persons or differently-abled, as we call them, to get total relief from customs duties for the things that they need.

Clause 10(b) of the Bill, as I said before, speaks to walking canes, white canes, braille typewriters, and other matters that help the visually-impaired. These are all now going to be free of value added tax in addition to customs duty.

And the last section of the Bill is a commencement clause, which establishes January 01, 2022, as the date on which clauses 5, 7, 8, 9, 10, 11 and 12 of the Bill come into effect. And those clauses, Madam Speaker, are the ones—clause 5 deals with electric vehicles, waiver on taxes and duties. Clause 7 deals with the tidying of the Lands and Buildings Taxes Act. Clause 8 deals with the, again, some harmonization of the language. Clause 9 deals with carbon capture and storage. And clause 10 deals with electric vehicles.

Thank you very much, Madam Speaker.

Madam Speaker: I beg to move?

Hon. C. Imbert: I beg to move.

Question proposed.

Madam Speaker: Member for Oropouche West.

Mr. Davendranath Tancoo (*Oropouche West*): Thank you, Madam Speaker, for recognizing me to contribute to this very important debate on the Finance (No. 2) Bill, 2021.

Madam Speaker, this is what it has come down to today. After having spent three hours and 40 minutes in the budget presentation and “30-something minutes” here today, 30 minutes-odd today, after having spent 26,977 words in the budget and God alone knows how many words today, this is what it has come down to, 15 clauses, which should address changes to the legislation, which will improve the substance and quality of lives of our citizens emanating from the budget.

Despite massive poverty levels; despite the closure of 6,000 businesses; despite the loss of 112,729 jobs between 2015 and current; despite the crisis in our education sector; despite the foreign exchange shortages and the lack of transparency in his distribution; despite the crisis in health care, in national security, in public utilities, in infrastructure and drainage; in social development; despite the collapse in foreign direct investment, Madam Speaker what this country heard today is a continuation of the same old, same old. And the Minister had the opportunity today, Madam Speaker, as he has done with some other pieces of legislation today, of bringing specific changes to legislation which would improve the quality of lives of most or all of our citizens Madam Speaker, and will also have addressed some of the shortfalls that he made in the budget presented earlier this year.

That is why we thought we would have gotten some new initiatives through this. We thought, Madam Speaker, that the Minister would have come and made some amendments so that value added tax on food, the VAT on food, would have been addressed. But that has not happened, Madam Speaker. Instead today we have the Finance Bill. Instead today we have the Finance Bill, which presumes to do certain things. And if you really look at the Finance Bill, Madam Speaker, as we

would look at now, if you really look at it, Madam Speaker, you will realize that it seems to do a lot. But it actually does very little, even for those pieces of legislation amended here and the impact it will have on the business sector. But this is no surprise Madam Speaker, because this Ministry, this Minister and this Government are convinced that they are doing a phenomenal job of managing the affairs of this country.

Madam Speaker, clauses 2, 4 and 14 of this Bill before the House today are in fact not contained. The provisions, they are not contained in the budget fiscal 2022. This is the waiver of fees and funds for fiscal 2020 by 42 per cent. Madam Speaker, I am sure that the gaming industry is very grateful at this point, at least for this “chee-chee” that this Government has provided, because that is what this is. It is a “chee-chee”. It is a trickle to treat with what was an overflow at this gaming industry, with this gaming industry, Madam Speaker. And I will treat with that. I want to treat with that, Madam Speaker, because this gaming industry was closed for a substantial period of time in 2020.

The Minister presented a budget, 2021 fiscal. Nothing was mentioned about them then. He presented a budget for 2022 fiscal, nothing was mentioned about them then either. The Minister now comes to claim that entities reached out to him, and as a result of that he is bringing this concession. Madam Speaker, there is no concession here for 2021, when these entities were closed for 50 per cent of their business time because of the curfew. So if you cared about them so much in 2020, do you not care about them now in 2021? Why is it that this concession was not provided also for 2021, when, for half of the period of time of these businesses, Madam Speaker, they were closed. It is a little. This is the “chee-chee” I am speaking about, where the Minister is appearing to be generous but is in fact far from being so.

Madam Speaker, the Minister should have also advised the amount of revenue foregone that he was propping would have been lost by this initiative. And I think if he did that, he would be clear. It would become a lot clearer, Madam Speaker, as to the size of the loss or the size of the generosity of the Minister. What really is it? And I think Madam Speaker, that is the definition of the “chee-chee” that I am speaking about.

But there is more, Madam Speaker, because while these entities were shut down, illegal gambling was still continuing. While these entities continued to lose money and lose opportunity, illegal gambling was still continuing, Madam Speaker. **Mrs. Robinson-Regis:** Madam Speaker, could I ask—Standing Order 8, please. I do not know what word is “chee-chee” because it means certain things in Jamaica. So I do not know what it means in this House.

Madam Speaker: Member for Oropouche West, you are reminded that the language of our Parliament is English.

Mr. D. Tancoo: Madam Speaker, it is a pittance. It is next to nothing. It is a mamaguay, and I am sure I do not have to explain to the hon. Member, what mamaguay means in Trinidad or in Jamaica.

Madam Speaker, if I may be allowed to continue? If I may be allowed to continue, Madam Speaker. As I indicated, I am sure that the members of these organizations would have been very, very grateful for this pittance, this mamaguay that this Minister is providing to them today. But Madam Speaker, this goes to the owners of the business. This goes to that level. And I want to refer to a newspaper article, which deals with the others, the persons who were working in this industry, who appealed to the Ministry, who appealed to the very same Minister and to the Prime Minister for his interaction, for their interaction in their own livelihoods and received no support, Madam Speaker.

According to a source of the national—and I am quoting Madam Speaker, from an article entitled “Illegal Play Whe operators robbing State of billions” dated Saturday, July 11, 2020:

“According to a source at the National Lotteries Control Board, the illegal game is worth more than \$1.3 billion per year.

President of the Electronic Lotto Agents Association...”—Mr.—“Alan Campbell suggested that figure is conservative, putting the value at more than \$3 billion.”—per year.

And that is the point I wanted to make, Madam Speaker, that that entity, if they had focused also on treating with illegal gambling some of these losses that these persons would have engaged in now, would have suffered from now, would not have necessarily come about.

I want to quote from another article, Madam Speaker, entitled “Private Members Clubs ‘Struggling’.” This one is dated August 27, 2021. In this article, Madam Speaker, an association called the Union of Members Clubs and Lottery Workers had appealed. They wrote to the Prime Minister. They wrote to the Minister of Finance appealing for some sort of substance, because these were mainly single families, single mothers, single persons, single household—single persons households, Madam Speaker. According to the representative, the association president, Mr. Joshua Johnson, he said, and I quote from the article:

“...up to 5,000 workers have been directly affected since the clubs were closed, and another 30,000 who benefit from or do business from the industry.”— were also affected.

“The association noted in its August 23, 2021 letter to”—Minister—
“Deyalsingh”—copied to the Prime Minister and copied to the Minister of Finance—“that its peers in the Lotto and Play Whe sectors were

allowed to return to work on August...”—the 8th.

Their concern, Madam Speaker, was for many, many days they were without support. What was critical about that, Madam Speaker, is this phrase, this line:

“‘Not one of our comrades received the Salary Relief Grant,’ the letter...”—said.

So, while I understand that the Minister is responding to concerns from the entities involved in the gambling sector, I am wondering why the Minister was not so concerned as well for these 5,000-plus single-family households, these single mothers. Why was he not so concerned with them, Madam Speaker? Why is there no concession for them? Why has the Ministry of Social Development and Family Services not considered them? And this is August this year, Madam Speaker.

Madam Speaker, if I were to continue, clause 7 of this Bill, Madam Speaker, tax allowance for first-time homeowners was increased from 25,000 to 30,000 per household on the mortgage interest paid. Again, Madam Speaker, this is another example of the mamaguay. Based on what the Minister said earlier, this will allow members to invest more in other things. It will free up some income that they would have had. Madam Speaker, I am sure, again, that recipients who are benefiting from this initiative would be very grateful. They would be very grateful. I am very sure of that. But this Minister is giving with one hand and taking back with both.

When you consider this \$5,000 increase in the allowance and you marry that with the increase in the bills to these households that will come via the property tax and via increased utility rates that have already been signalled, Madam Speaker, you will see that this will neutralize any possible gain that may have come to these households by this initiative.

Worse than that is other households, Madam Speaker, who do not have mortgages

to fall back on will be facing the full brunt of this increased utility rates and the new cost now of the property tax.

3.00 p.m.

Also staying on clause 7, Madam Speaker, clause 7 will amend section 28:15 of the Income Tax Act. Now, the intention of that is to create some sort of saving, to encourage savings, Madam Speaker. We on this side, Madam Speaker, support any incentive provided by the Government to support savings, fact. We will be very grateful if persons have money to save. Given the constraints that they have had now, we know that household savings have collapsed. The figures are there, Central Bank's statistics support that, that that is crisis now. People are borrowing more money and saving less.

But, Madam Speaker, this raises an issue about the state of the National Insurance Fund which is the parent entity that collects the pension support system for all of Trinidad and Tobago. Everybody who supports, everybody provides or makes payments to the national insurance service, their support goes to the National Insurance Fund for payment of pensions going forward. But what is the situation now today, Madam Speaker? What is the status now of the National Insurance Fund? I am hoping that the Minister in his wind-up could tell us. Because not so long ago, the Minister was expressing grave concern about the National Insurance Fund, where in a Trinidad *Guardian* article dated June this year, June 10th this year, was headlined: "Imbert worries about sustainability of the National Insurance Fund".

And I quote—I will just quote, Madam Speaker, with your permission the first paragraph:

“While the National Insurance Board...provides services to over 588,000 people and offers 23 benefits it faces...”—Madam Speaker—“sustainability challenges and risks of reserve exhaustion, whether it is from the expenditure

of the National Insurance System...exceeding its income or from the assets of the National Insurance Fund becoming depleted within the next 25 years according to..."—the—"Minister Colm Imbert."

Madam Speaker, the reason that is of some concern is because while we have this initiative here, persons are already expressing grave concern about the stability and security of their pensions. And this was raised—via the National Insurance Fund—this was raised as far back as 2017, when again another headline in Loop news, "NIS fund in trouble? Increase in retirement age recommended".

Madam Speaker, the problem with this is that the Government seems to be going in one direction but not treating with the problem, not treating with the crisis that exists today. So that by next year, we will find ourselves in the same situation where the Minister will again come and say, "We are worried about what the financial state of the funds are for people who are going to retire, for people who are going to engage and receive some sort of NIS benefits, et cetera." Madam Speaker, it is up to the Minister. I am assuming that the Minister in his wind-up will provide some kind of status report on the National Insurance Fund going forward.

Madam Speaker, sticking at clause 7. Clause 7 seeks to provide an adjustment to the withholding tax rate. Madam Speaker, for those who are not aware, this is clearly—the Minister hinted at it earlier—it is clearly an attempt to attract foreign companies to invest in Trinidad and Tobago. It is an attempt to entice—to provide a tax incentive to entice foreign direct investments inflows.

This is very important, Madam Speaker, given especially, as we have mentioned previously in this very House, that what we have seen under this Government is more foreign currency leaving this country. We have seen a negative foreign direct investment flow from this country rather than a positive, which means that is more money is leaving than is coming in. That value was placed at US 439

million for last year. For this year, we do not have a figure yet. The question, Madam Speake, is: Why does the Minister think that this incentive, this one incentive, having recognized that we are losing investment, we are losing the opportunity, why does the Minister think that this one minuscule, mamaguy incentive will make any difference to attract foreign direct investment into Trinidad and Tobago?

We already know, based on a question that was raised earlier by one of my colleagues, that businesses are leaving Trinidad and Tobago. Investors are leaving Trinidad and Tobago and going to other Caribbean countries which are much more attractive. We know that the ease of doing business—we have collapsed on the ease of doing business. It is easier to do business in hundreds of other countries. I think we are at 102, so we are almost at the bottom of the barrel, Madam Speaker. Why does the Minister think that a minuscule concession like this will cause people, miraculously will cause large investors to gravitate towards Trinidad and Tobago when every other indicator, Madam Speaker, when every other indicator will tell these very same investors that Trinidad and Tobago is not a haven for investment anymore? And that is not something that I say with pride. That is something that is an indictment against this Minister because it is under his watch that we have collapsed as much as we have.

Hon. Members: [*Desk thumping*]

Mr. D. Tancoo: The proof of that, Madam Speaker, the proof of that is in the international ratings. The proof of that is in the international ratings, Madam Speaker. Moody's Investors Service, August—sorry, April 2015, we were negative A3—A3 rating with a negative outlook; 2016, we fell, Baa2 negative outlook; 2017, we fell, Baa3 stable; 2020, we fell again, Baa3 negative outlook. And last year, Madam Speaker, we fell again, Ba1 stable outlook—sorry, that is this year, we fell again.

Standard & Poor's, we have dropped every single year under this Prime Minister and under this Government; every year. We went from an A grade rating in 2015, when he came into office, we went to A- in 2016 with a negative outlook; BBB+ with a stable outlook in 2017; BBB+ with a negative outlook in 2018; BBB stable in 2019; BBB- stable in 2020. And in 2021, Madam Speaker, we are at BBB- with a negative outlook.

Every year under this Government, our ratings internationally have dropped. And that is what investors look at, not just this token bait, not just this token initiative. They look at those kinds of ratings. Those are the credit ratings. That is the ability of the Government to repay its investment, to repay its debt. That is stability of the country. Investors also look at your economy and our economy has essentially been collapsing under this Government. Investors also look at what other countries are saying about the Trinidad and Tobago.

Madam Speaker, I refer you to the Trinidad and Tobago Travel Advisory put out by the United States of America, dated November 30, 2021. The headline of that, Madam Speaker:

“Trinidad and Tobago - Level 4: Do Not Travel”

That is what our major trading partner, Madam Speaker, is saying to investors outside there. You know why, Madam Speaker? It is the same thing, it reflects what Standard & Poor's, it reflects what Moody is saying, it reflects what others are saying. But this is not just about the state of the economy. The very first paragraph says:

“Do not travel to Trinidad and Tobago due to COVID-19. Exercise increased caution in Trinidad and Tobago due to crime, terrorism, and kidnapping.”

So it is not just that the state of the economy is horrendous under this Government and this Minister of Finance. It is not just that. It is not just that our

credit ratings have fallen. It is that businessmen who interested in investing in this country have to be fearful for their very lives.

Madam Speaker, it gets worse. According to the 2021 Index of Economic Freedom put out by the Heritage Foundation, Trinidad and Tobago is ranked below the world average and I want to quote from it, Madam Speaker. It is an online publication available. Members opposite can check it if they are so inclined, *heritagefoundation.org/index*. Madam Speaker, I want to quote from the summary of the report that says basically that Trinidad and Tobago has fall into position 102. What that means is that we are in a crisis situation because it mean that is we are mostly unfree as an economy:

“To make it back...”

And I am quoting the report, Madam Speaker:

“To make it back into the ranks of greater economic freedom, the government will need to get its external debt under control and make a concerted effort to strengthen the rule of law, a need that is reflected especially in its...”—that is the Government—“notably weak index indicator scores for judicial effectiveness and government integrity.”

This is an international publication and they have questions and queries about this Government’s integrity, Madam Speaker. One of the worse performing indicators provided by this institution is on the basis of fiscal health where this Government scored 15.8.

Madam Speaker: Okay. So I have allowed you some leeway but remember, we are talking about particular measures.

Mr. D. Tancoo: Yes Ma’am.

Madam Speaker: This is not a budget debate or a debate on the economy. And you know, I have allowed you some latitude but I think you should really come back to

what is really before us, tie in what you are saying because it is going too wide. And again, I saw you gave a definition of a “chee-chee”, and I guess that is why they tell us speak English in here because the definitions I found do not accord with those but we have past that. Just remember, the language of the Parliament is English. Continue.

Mr. D. Tancoo: Thank you very much, Madam Speaker. Madam Speaker, I was raising the issue based on the Minister’s statement here today that the reason that we were adjusting the withholding tax rate was in an attempt and in his expectation that this would have increased and improved and attracted investment to Trinidad and Tobago. And the point was that that in itself is insufficient. And the Minister has the opportunity today to amend this Finance Act and to provide other pieces of legislation here which would increase the attractiveness of Trinidad and Tobago as an investment decision.

Madam Speaker, the international growth centre of Trinidad and Tobago—the International Growth Centre—sorry, is a London-based organization that is based in partnership with the University of Oxford, not the one that gave this Government a ranking of number one for whatever reason. The University of Oxford, not a branch. This organization afforded the Minister the opportunity—this organization afforded the Minister the opportunity of gaining some insight on some of the initiatives that should be taken, Madam Speaker, to ensure that we can attract foreign direct investment in Trinidad and Tobago, not just these changes in the withholding tax.

And, Madam Speaker, I have spoken to others in the industry and up to today, while we are passing this legislation, there are persons in the sector who do not know, have no idea as to how exactly this Government’s proposal for amending the withholding tax, how exactly it is going to work. And even in the legislation, they

have not brought it out. They have not provided a sufficient definition and explanation and structure into how this is going to be applied.

Madam Speaker, with your permission, I want recommend that the Minister reviews this particular document so that he may gain some insight as to how foreign direct investment should be attracted, so that he could see how to use even this legislation that he is proposing to amend, how properly to adopt the use and implementation of adjustments to the withholding tax Act, Madam Speaker, under clause 7 of Bill.

The article I am referring to is a 2017 article. So the Minister had enough time to go through this thing and find the ways of doing this, Madam Speaker. And it is entitled:

“Attracting quality foreign direct investment in developing countries”—such as ours, Madam Speaker.

This article differentiates between regular foreign investment and what is defined as quality foreign direct investment because it has specific impact on the growth of the economy, specific impact upon the way the legislation embraces and develops the local sectors together with foreign direct investment.

Madam Speaker, in the interest of time I will not read—I will not quote from the strategies for attracting quality foreign direct investment. But I recommend that the Minister review it, Madam Speaker because one or two of the issues here fall directly in our hands, Madam Speaker. These are the things that the Minister should have been doing rather than coming to us with piecemeal legislation attempting to distract the population into thinking that substantial work was being put together, substantial research and development of ideas were being put together, when in fact the truth is that all he was seeking to do is provide a mamaguy, all that he was seeking to do is create the perception that he was doing things to attract investment without

fixing the vast majority of the issue that require to be addressed, Madam Speaker.

One of the critical things, Madam Speaker, is to open markets and allow foreign direct inflows. That is something that the Minister has not done. The other one is to set up an investment promotion agency. We have an investment promotion agency in Trinidad and Tobago that is not functioning to the level it should be functioning at.

One more, Madam Speaker, is to encourage the strengthening of backward linkages to encourage the functioning—the strengthening of backward linkages. You see, Madam Speaker, all of these initiatives, all of these directions provided by this study are directly applicable here. And what it shows is the failure of the Minister to truthfully deal with the things that can strain foreign direct investment in Trinidad and Tobago.

Madam Speaker, this thinking is what pervades this entire Finance (No. 2) Bill, 2021. It does not treat, just like the budget did not, it does not treat with the critical issues facing Trinidad and Tobago. It is spinning top in mud, another local saying which I am sure my colleague will understand. It is mamaguy, Madam Speaker. And as a result of that, we are likely to get nowhere substantially at all at the end of this period. Madam Speaker, my other colleagues will treat with some of the other issues raised by the hon. Minister of Finance. With those few words, Madam Speaker, I thank you for the opportunity to contribute.

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Port of Spain North/St. Ann's West.

Hon. Members: [*Desk thumping*]

The Minister of Energy and Energy Industries and Minister in the Office of the Prime Minister (Hon. Stuart Young): Thank you very much, Madam Speaker. Madam Speaker, it took the whole 30 minutes of the previous speaker to get to the

only point that made sense, which is “with those few words.” So Madam Speaker—

Hon. Members: [*Desk thumping*]

Hon. S. Young: So, Madam Speaker, there being very little to respond to from the previous speaker, which we are becoming very accustomed to now, unfortunately, I would like to discuss, through you, two of the initiatives that this Finance Bill proposes and deals with that really come out of this national budget that was delivered by the Minister of Finance a few months ago.

And just in case any member of the listening public is misled by the previous speaker, the Finance Bill has done exactly what the Finance Bill was supposed to do. The previous speaker tried to make a lot of ado and say you should have brought this amendment and that amendment. The Finance Bill is meant to amend the pieces of legislation, the pieces of law, the statutes to give life to certain measures that were announced in the budget, and that is exactly what it is doing.

There are two issues I would like to deal with related to the energy sector. The first is the amendments being made with respect to electric vehicles and the second is to deal with incentives for carbon capture, sequestration and injection that is to take place in the energy sector. Unfortunately, the previous speaker dealt with very little, if anything at all, with respect to the Bill but these are the two main areas I would like to deal with.

Madam Speaker, the population and in fact, the global population would be very aware of what is taking place in the hydrocarbon fossil fuel industry globally and the need, as the world moves with pace especially coming out of the recent discussions at COP26, to try and reel us back into an acceptable place with respect to dangerous greenhouse gas emissions and the carbon dioxide that has been produced and is circulating in our atmosphere that are harming the globe and the planet. So two of these measures deal specifically and directly with respect to that.

First of all, it is Government's policy—and this what we are seeing here is the effecting of the policy to go the route of renewables and one of the areas of renewables that we are looking at is with respect to electric vehicles and solar power, solar energy and these types of things. And then also to deal with carbon capture, sequestration and injection.

And I would like to say that at the outset, the use of electric vehicles is not going to be limited alone to private and personal electric vehicles. And in fact, I must say, Madam Speaker, that at the Parliament, I am very happy to see that someone in the Parliament is leading the way with respect to electric vehicles. Because when you enter the Red House, you will see in the forecourt an electric vehicle that has been in use for certainly the last year or so and this is a step in the right direction. And I would like to congratulate—

Hon. Members: [*Desk thumping*]

Hon. S. Young:—whoever it that is utilizing this electric vehicle within the precincts of the Parliament.

So the Government policy is that we are going to reduce harmful gas emissions—greenhouse gas emissions by 30 per cent in the transportation sector. And one of the things we are going to do to do that is by using electric vehicles and in particular, right now, the Cabinet is exploring the procurement of electric buses to do that in the public transport sector.

What we have here being done in this Bill here today is the removal or the exemption rather of motor vehicular tax, VAT, value added tax, and customs duties on electric vehicles for personal use by persons in Trinidad and Tobago.

And we expect, as the world is moving, Madam Speaker, towards the use of electric vehicles, I would just like to put it into some context. According to a BlueWeave consulting and research paper, the global market for electric vehicles

should grow from US \$121.8billion in 2020 to US \$236.3billion by 2027. What we are seeing here is Trinidad and Tobago becoming part of this global movement towards the use of electric vehicles. And we have heard the conversation and some of the points being made by those in the car industry since the announcement of this measure in the budget. And I would just like to say that it is not unique to Trinidad and Tobago.

So one of the cries you are hearing from car importers is that there are not sufficient electric vehicles. It is not going to make a difference in Trinidad and Tobago. This is a transition measure. So this is something that we have decided to do to encourage persons to get electric vehicles. Unfortunately, there is more demand globally than supply for electric vehicles. So it may take some time for these vehicles to get here in Trinidad and Tobago.

But the first thing you have to do is you have to open the market. So what we have done is we have done exactly that. You are going to see persons importing, I believe, plug-in hybrid electric vehicles. And then, we are really looking for a move towards battery electric vehicles. And what we can expect in the coming two years is more than 240 new models of the battery electric vehicles, BEVs, and plug-in hybrid electric vehicles, PHEVs. And we expect these to be introduced into the global market in the next two years.

Madam Speaker, in addition to the electric vehicles, what we want person to understand and to know is that the Government is aware you need to have the infrastructure to support these electric vehicles. The truth is the technology has changed, it has moved rapidly since we started looking at this two years ago.

And now, you have actually home charging ports at your house for the charging of your electric vehicles that will power your cars overnight. The average electric vehicle now has a range of between 150 miles to 300 miles. People still have

this mind-set that you need to have public electric charging ports everywhere in case you run out of charge. The truth is once persons begin purchasing this, like I am sure the person who has their vehicle in the forecourt of the Red House do, they will charge their vehicles at home overnight. All you do is basically, a plug that you would use for your dryer, a household dryer, you can plug in these charging ports. Plug in your car, you charge it overnight, you have a full charge, you can go between 150miles to 300miles which is a significant distance. So we are asking and encouraging people. The technology has changed, it has moved.

We also expect, as a result of this, the electricity grid, as you begin to utilize more electric vehicles. It is something that we are looking at—the Minister of Public Utilities, the Ministry of Energy and Energy Industries, the Ministry of Planning and Development—to ensure that our electricity grid would be able to provide sufficient electricity as people begin to move in this electric vehicle realm.

The Minister of Finance touched on one of his points that determines the policy as to why we said electric vehicles should be no older than two years. One of the issues you have with electric vehicles—because they run on batteries, they not internal combustion engines—is when the batteries begin to deteriorate or they go bad, the disposal of these batteries is a very specialized disposal. And this is something that we said, “Look, let us not buy cat in bag. Let us not take on the older problems of other more developed countries.” So we went with a two year period. And that is explanation as to why we say the vehicle should not be more than two years old.

Also, the technology has changed so dramatically in the last two years that you will find that the vehicles that have been developed, that have been manufactured, the electric vehicles in the last two years, that type of technology now is a much better technology. You have a longer lasting battery life of the vehicles.

So these are the policy decision. It was not policy by “vaps”. It was not just waking up and plucking things from the sky with respect to the decisions on the electric vehicle policy. And I thank the Minister of Finance for listening to the conversations we were having and moving to remove and to allow exemption of motor vehicular tax, VAT, customs duties on electric vehicles, which is one of the provisions in three of the clauses of this Bill that is here before us today.

You will also see that we have already introduced and launched the first public charging port at a new gas station in Preysal, an NP gas station. And I would like to just highlight some of what was done at this gas station in Preysal. The gas station is actually powered, the electricity, by solar. The whole roof of forecourt and over the Quik Shoppe is covered in solar panels. And those solar panels not only power the needs of the gas station, the Quik Shoppe but also, the first public charging port for electric vehicles that we have that has three charges ports coming out of it. So we know it works.

We have devised the system so persons can pay. Along with the Ministry of Planning and Development, the Ministry of Energy and Energy Industries is going to introduce, through the NEC during the course of the next fiscal, further electric public charging ports in Trinidad and Tobago. We are going to put one in Tobago. We are going to do one in the north-east of Trinidad. We are looking at one in Mayaro, one in south and one in the west of Trinidad as a start for the public electricity grids for these electric vehicles as we move towards the reduction of internal combustion engines.

Another area—Trinidad, let me just say, Madam Speaker, as I said a few days ago, Trinidad and Tobago continues to be a hydrocarbon-based economy. So whilst we look at other potential diversification projects, we still remain a hydrocarbon economy. We still exploit oil and gas.

3.30 p.m.

So one of the things we need to do is stay competitive in a rapidly changing global hydrocarbon environment whilst balancing our requirements to reduce the harmful greenhouse gases and to do what we call decarbonisation, which is reduced the levels of harmful carbon dioxide being put out into the earth's atmosphere that unfortunately, have done irreparable damage to the earth's atmosphere and have led to this whole global climate warming. We saw what happened in the United States over the weekend with the tornadoes touching down and the massive amount of damage, we have seen the rising sea levels, the unprecedented flooding in places like Germany, in London, in New Jersey, in New York and these developed countries.

So we are very conscious in Trinidad and Tobago that we will do our part while still remaining a hydrocarbon economy in reducing the harmful effects of greenhouse gases and decarbonizing, reducing methane and these types of things and that moves straight into—you are seeing one of the measures here that was announced in the budget by the Minister of Finance. And here to the Finance No. 2 Bill, 2021 which is found at clause—sorry just—it is found at clause 9 of the Bill, which is where we are dealing with providing now an incentive for carbon capture storage and enhanced oil recovery. I would like to indicate that the Ministry of Energy and Energy Industries is taking this very seriously, I hope to go to Cabinet very shortly with a policy with respect to carbon storage and how we can sequester this harmful carbon, how we can use it, capture it and inject it, one, for enhanced oil production but also, there is other technology available that we can look at building out infrastructure, and hopefully at the cluster of Point Lisas, this carbon capture and sequestration, which was really to take the harmful carbon, do something with it, and then monetize it, or allow plants at Point Lisas to be able to tap into that resource so that their energy products, the ammonia, the methanol would be cleaner, greener,

and ammonia and methanol to assist them in being more competitive in the global market.

So I am happy to support and happy to see that we are making this amendment that we will allow an allowance equal to 30 per cent of actual expenditure up to a maximum of \$500,000 to companies who engage in carbon capture storage and enhanced oil recovery. This has been taking place in Trinidad, Petrotrin had use it previously, Heritage is using it and there are other areas that we need to use it and speed it up. So what we are looking to do by this incentive is get private sector investment into it. There are a couple other areas in the Bill I would just like to narrow in on and really to draw some attention to and that is that we have taken a decision and we are also exempting VAT and customs duty from certain items that are used by differently-abled persons. This is a step in the right direction. We have a segment of our society who are differently-abled, the cost of them getting the types of equipment, the type of supplies that they need to assist them in their day-to-day living. And I would like to really commend the Government, my colleagues, and for the support that we got in being able to do this to remove customs duty and Value Added Tax from that.

There just a couple other items like to—a lot of noise was made about FDI, attracting Foreign Direct Investment. And one of the narratives that suddenly is being promoted by the other side is that we are no longer attracting foreign direct investment. I would like to say that is completely untrue, that is not supported by reality, in fact, a PSC that resigned recently a production sharing contract with Shell. For the production of the Manatee Field, we expect over US \$1.8 billion to come in as investment from that. We also have, you would have heard the Prime Minister, the Minister of Planning and Development, myself speak about the solar project that is being finalised now, 112.2 megawatts, a light source BP investment of over

US\$120 million that is also a reality. You have companies, the smaller companies such as Touchstone and Perenco, investing heavily in Trinidad and Tobago, all of this qualifies as foreign direct investment. In fact, Perenco when they came to meet with me recently, were very happy to say that they took a platform. The platform is being fabricated in Chaguaramas; that is all foreign direct investment. EOG they are building rig platforms in Trinidad and Tobago, you have Shell, BHP, BP also investing heavily Trinidad and Tobago. So, the message to the national population is do not allow your psyche to be affected by every time those on the other side stand up. And certain persons especially the one from—the Member from Oropouche West who likes to affect our psyche and say that the world is falling, everything is awful Trinidad. That is far from reality.

We also have the Proman Group through DeNovo investing heavily. They have just fabricated a completely new platform locally, everything locally, using renewables, wind, and solar to power the platform, all done via local fabrication, so there is in fact, a lot of FDI taking place here in Trinidad and Tobago. Another point I heard made that I would just like to correct, it was being suggested by the former speaker from Oropouche West, that the Minister of Finance should come here and he should make amendments to VAT and VAT on food. For someone who professes and would love one day to hold a position and Office, especially the office of Minister of Finance, the Member for Oropouche West should know you do not have to amend parent legislation to take decisions with respect to VAT. And in fact, the Government did recently amend via an Order and reduce VAT on—I think it was over 50 food items, the basic, essential and food items so again, do not allow them to mislead you, and affect your—the national psyche.

So Madam Speaker, we will not engage in the populist politics, especially at a time when the globe is struggling, continues to struggle in the global pandemic that

is COVID-19. This Act here today, this Bill is to implement the measures that were stated in the national budget a few months ago. And just to remind the population at the time, the accolades that came to the Minister of Finance and the Government for the decisions that were taken, this is now the implementation of them that needs to be done. Those that need to be done via amending legislation from a Ministry of Energy and Energy Industries point of view, we are happy to see the removal and the exemption of motor vehicular tax, customs duty and VAT on electric vehicles. And for the—what is being done on the carbon capture storage and enhanced oil recovery, the allowance of 30 per cent on actual expenditure to a maximum of \$500,000 as being an encouragement for persons to engage in this area. There will be a lot more to come and I would just like to end by saying Madam Speaker, that unfortunately, there are those especially on the other side, who continue to try and paint everything in the most negative light and to paint it as though Trinidad and Tobago is a failed state. We are far from being that and we will continue to do what needs to be done to progress us in the right direction. Thank you very much, Madam Speaker.

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Pointe-a-Pierre.

Hon. Members: [*Desk thumping*]

Mr. David Lee (*Pointe-a-Pierre*): Thank you, Madam Speaker, for allowing me to join this debate. I do not intend to be long, take my entire 20 minutes, because it is really one clause I want to concentrate on a little bit or seek clarification from either the Minister of Energy and Energy Industries or the Minister of Finance and that is really clause 9 of the Bill. The Minister of Energy and Energy Industries mentioned it, it is clause 9 of the Bill and I just go to clause 9 of Bill the Petroleum Taxes Act, is amended by inserting after the section 26 (3) the following section. And basically,

it is about given an incentive Madam Speaker, for carbon capture and storage and enhanced oil recovery allowance. I know the Minister of Energy and Energy Industries went in, in his presentation about electric vehicles, but my other colleagues will deal with that as far as renewable aspect.

So I just want to concentrate on that clause 9 and maybe get into something that the Minister mentioned Minister of Energy and Energy Industries about his solar project. Madam Speaker, when you—I want to start by saying when one looks at clause 9 of the Bill, it is clear that this Government wants to give the perception and the Minister of Energy and Energy Industries mentioned it that it is addressing climate change and committed to renewable energy and he mentioned COP26. But I want to ask and I would have thought that both the Minister of Energy and Energy Industries would have gone into that entire clause a little bit more in depth, Madam Speaker, because it is a very important incentive for our country. Coming out of COP26 or going into COP26 and even—because this took life not only in the budget statement of October the 5th by the Minister of Finance but this has been taking life, this whole carbon capture for a few years in the past, Madam Speaker, and it is very important for our country, when we start to address renewables as in respect to carbon capture and the CO₂ emissions, especially in our downstream industry Point Lisas et cetera, Madam Speaker.

So, and I want to really ask to the Minister of Finance when they were coming up with the incentive, if the incentive that they have put down here today that the Minister is asking us to approve, is it sufficient enough Madam Speaker, because the incentive really talks about a maximum of TT\$500,000 by any company that is getting involved in the recapturing and the storage and the sequestering of the CO₂ emissions, Madam Speaker. And I seek clarification, whether or not it is two different aspects of the clause Madam Speaker. So, companies that are involved in

the carbon capture and storage alone, would they be able to apply for this tax credit up to a maximum of TT\$500,000 and if other companies, whether jointly or separately are also involved in enhancement of using the CO₂ emissions that they capture in trying to, in a simplistic way, recover oil. So, I just seek clarification from the Minister of Finance, if either companies or jointly can apply for this incentive. But this incentive is good but whether or not the TT\$500,000 that is being put out here today, if really and truly, it is a justifiable or an amount that really does justice to renewable energy or the green economy in our country. Because when you look internationally at companies, and I think the Minister of Energy and Energy Industries mentioned major countries, Germany, Australia, I think parts of USA, when they got into this CO₂ carbon capture, it is billions of dollars that are required to get into this kind of venture.

So, putting an incentive of TT\$500,000 which is basically less than US\$100,000 it leaves much to be desired and it really does not go anywhere as far as meeting the kind of expenditure that if you were really encouraging companies to get into this carbon storage and sequestering and the CO₂ emission, we covering that if it really is just lip service that this Government is doing to give the impression to the international community that they are into renewable energy in respect to fossil fuels, et cetera, Madam Speaker, so I just want to ask/seek clarification on that.

The other aspect I want to ask in this whole carbon capture, back in March—I think is March Madam Speaker, of this year—March 2021, there was a steering committee that was put together by this Government and the Steering Committee was the Carbon Capture and Carbon Dioxide Enhanced Oil Recovery Steering Committee. That Steering Committee was on a media release on the 22nd of March 2021 and the Ministry of Energy and Energy Industries announced the formation of a Carbon Capture Steering Committee formed in the 18th of February 2021 and

headed by the Chairman of that Committee is one, Mrs. Penelope Bradshaw-Niles at the time, I do not know if she is still there, the Permanent Secretary Acting at the Ministry of Energy and Energy Industries and other committee Members; Ms. Arlene Chow, Chief Executive Officer of Heritage Petroleum; a well renowned energy expert, Professor Andrew Jupiter, et cetera, Madam Speaker.

So, I would want to ask through the Minister of Finance to the Minister of Energy and Energy Industries, what became of that Steering Committee on this same incentive that is being put forward today in this Bill, Madam Speaker. So it is something that I would like to ask, what is the work of that Steering Committee in respect to this critical, renewable allowance on enhancement that the Government is bringing here today. So, I ask if we could get some report or a status report of the work of that Committee and if really and truly, what is the planning for the country in respect to carbon emissions, Madam Speaker, or coming out of that Committee, because it is a very important committee, Madam Speaker.

So, I go back to ask about the attractiveness of this 500,000 maximum—of that TT\$500,000, if it is just lip service to give the impression that we are doing something for carbon emissions or CO₂ emissions in the atmosphere. I just want to ask also about the solar park, or the solar energy project, because the Minister of Energy and Energy Industries mentioned it, that in respect to FDIs that the solar energy project is something that is attracting some foreign direct investments. And I want to ask as the Minister of Energy and Energy Industries would be well aware, as we approach the end of 2021 Minister, there is currently zero renewable energy currently incorporated in Trinidad and Tobago's electricity grid. But this is something that this Government, your Government, had talked about, for the last six years, Madam Speaker, solar projects and so forth. And I ask again, what is the

status? When would the country see some sort of action in respect to this solar energy project and move it from action to production, and not just talk?

So, Madam Speaker, I really did not plan to stay long but I just wanted some clarity in that whole carbon emission enhancement programme, to give some clarity to companies who would like to invest, and maybe the Minister of Finance could say well, maybe the number might be too small and maybe he might consider, maybe in the media review to increase it, Madam Speaker, because it is really augurs well for our country, in trying to stop or limit the amount of carbon emission that we as a country, produce and emit in the air Madam Speaker. So Madam Speaker, with those few words, I thank you.

Hon. Members: [*Desk thumping*]

Madam Speaker: Minister of Digital Transformation.

The Minister of Digital Transformation (Sen. The Hon. Hassel Bacchus): Thank you, Madam Speaker, for the opportunity to join this debate on the Finance No. 2 Bill, 2021. It is really and truly a privilege and a pleasure to address this House. Listening to previous speakers, I get the idea that for some reason, the circumstances under which Trinidad and Tobago finds itself, seems not to be foremost, in the way in which this is—the things within this Bill, are rarely taken in context. When I looked at it, I think that Trinidad and Tobago is navigating to, you know, ongoing global pandemic, that makes us have to have the right balance between protecting lives and safeguarding livelihoods, understanding where we are and making those decisions to do it. And when you look at a number of the things in this Bill, you will understand that there is a need for temperance while we do that, keeping an eye on what we are doing now, but still looking at what we have to do going forward in terms of being able to have sustainable development in the long term and so, this is really something that you have to balance.

My contribution today will be filtered through the lens of digital technology. Understanding the transformational aspect of what we have to do and how some of the clauses in this Bill, will impact some of what we have to do. And of course, this is in conjunction with what happened before as was read in this House with the budget. So when we think about digital technology and digital transformation, the slogan we have come up with is, this is rarely relative to a new way to address the delivery and consumption of goods and services end to end delivery of consumption of goods and services for customers, and by customers using appropriate digital technology. And that is a fairly loaded statement when you consider a new way and end to end. But the Government itself at this time is actually the largest consumer of digital services in the country, by far. So, when we look at the number of ICT initiatives across Ministries, divisions and agencies, some of them are already in progress, but a number of them are just getting started as of course, with the formation of this new Ministry. And some of these initiatives obviously seek to digitize the systems and business processes in the public sector and, they leverage the ICT and improve the delivery of services to citizens across the full spectrum of it and it is really geared to improve efficiency and effectiveness. There are a number of examples of this, even if partially completed.

When we talk about end to end we are talking about services that are being delivered from beginning all the way to the end. Meaning, of course, that if you wanted to start a transaction, any transaction, that by the time you complete it, it would have been completed, online and in full. The Ministry of Works and Transport, licencing division is probably an example of that, where you have a partially implemented process that has led to significant deficiencies, in some cases, meaning, if you have an appointment, and you go to that particular division, you

probably could renew your driver's permit and be out of there in 15 minutes. If you take that to its natural end, you are talking about being able to do all of it online.

When we talk about digital transformation, and I will get to the clauses that affect this in a minute, we are talking primarily about three pillars upon which all of this is built, digital society, the digital economy, and digital Government. Digital society, fairly simple, addresses the need to ensure that citizens not only have access to ICT, but are also able to use it effectively. So it is not just that you can see you have it, but you have all of the necessary things to do it that will include your levels of education, increasing your digital IQ, you have the right devices, and it is capable to do what you need to do.

The digital economy has multiple facets to it and again, there are a number of incentives and I will get to them, particularly those in clause 8, et cetera, that will deal in us being able to digitalize things, not just in the public sector but also in the private sector, and encourage the type of behaviour that will stimulate growth, and the use of innovation in trying to drive products created in Trinidad and Tobago, by Trinidad and Tobago, but also for the world.

Digital Government is what we have been working on for some time, we are talking about improving citizen access to Government services, through the use of appropriate technology, of course, and ensuring that there is significant effectiveness and efficiency and value for money in the public sector. So let us talk to some of the points in the Bill. Clause 8, which specifically speaks to measures of incentives for the SME sector. Particularly, in the cases of research and development, as well as incentives for organisations and companies that are in the business of digital technology. When you apply this in the digital transformation context, the two measures demonstrate a commitment to the development and innovative and agile

vibrant sector that we need to create if we really want to diversify what is happening in Trinidad.

The Ministry of Digital Transformation, as all other Ministries, divisions and agencies, cannot accomplish these tasks on our own. There is significant partnership that must happen for this to work. And so when you start to provide incentives and things that mean things to the companies that wish to get involved in it or are already involved in it, and they see ways in which they can partner with the state, I think that creates a kind of momentum that is important for us to be able to use to go forward. The hon. Minister of Finance indicated in the budget when he did the 2022 budget, that the vision is to transform the telecommunications sector, ICT sector, to enhance its contribution to GDP from its present level of 4 per cent to about 8 per cent, for us to do that, again, the state cannot do this on its own. The state does not have a lock on innovation, as a matter of fact, the more people involved in this, the better it is. So the more people are able to access and figure out how to use those incentives, because that is another piece, the incentives sit there and then not everyone takes advantage of what is there for them to use. So it is a combined thing that we need to do without this concern.

We also have to develop our local entrepreneurs. And I know the hon. Minister of Finance spent some time talking about the ways in which the small SMEs have to up their game in some cases to get to what they need to do but we also have to create an environment that encourages them to do that and so, while they can access the incentives, we have to provide an ecosystem that will make the raw material that they need to invest in here and for that, we are talking about doing our developers hub. Again, it was mentioned in a number of places, but this developers' hub is key. It is a mechanism to enable the local app developers to partner with the public sector and with the private sector to build solutions that benefit Governments

citizens, but it also creates that ecosystem that is available to build things for export. So these incentives are really, really key for what we want to do.

Another clause, and some of these clauses have direct bearing on what is happening in digital transformation. And some of them actually have indirect bearing but actually affects the psyche. Let us talk a little bit about clause 12 and the part that deals with differently-abled persons. When we are doing digital transformation, we cannot afford to leave anyone behind. So, digital transformation does not only affect those of us with high digital IQs and those of us who want to be part of this, you have to consider, of course, other people who have for some other challenges, including the differently-abled, people addressing things with learning disabilities, people who have issues, in terms of literacy, all of those people have to be encompassed in this. And so any measure within the fiscal measures that we are putting together, that will encourage and facilitate the use of and create incentives for people to access and help those people, but not only enough for them to be able to help themselves, is key.

When we talk about universal type initiatives, we have to include sectors of the society like the differently-abled. I know we have been doing work with the Blind Welfare, the Telecommunications Authority of Trinidad and Tobago has been doing work with the Blind Welfare, bringing in equipment, specialised equipment, mobile equipment, for example, that will allow somebody who has issues with sight to be able to use a mobile phone and be able to do the things that you and I can do quite naturally and easily. The incentives that allow for those types of devices to come in, is invaluable to people in that society. When you think about the ways in which modern technology is affecting the type of things that people use, who have challenges, if we did not make this as broad as possible, you could have found that

some of those things could have been exempt are not necessarily captured in the type of relief that we are trying to do.

Adult Literacy is another big one. The Ministry of Digital Transformation has partnered with ALTA to deal with their outreach programmes and they are using these ICT centres, which again in the budget, hon. Minister of Finance, expanded that programme significantly to make a number of 50. But these are about partnering, this is about partnering. When we put these access centres in they are being part of the community, adopted by the community. So the partnership we have with ALTA it is being piloted in Todd's Road. What they are doing there? They are their online programme for people who have learning disabilities—literacy disabilities. Think about how those people could have been neglected in this time of COVID and what we are going through, so I am talking about the challenges and the way in which we do it, clause 12 of the Act will assist where that is concerned.

The thinking of how the society works is something that we have to work on because it represents a significant challenge in what we are trying to do in digital transformation. Clause 13, the new section 165 (a) of the Securities Act, the hon. Minister of Finance, spent some time talking about Ponzi schemes and pyramids. And again, you may wonder, well, what does that have to do with digital transformation? Why would that even pop up on the radar of somebody who is thinking about what we are trying to do to address new ways to deal with goods and services? Well, the thing about it is this and this is what happens with these things. These nefarious schemes take advantage of the dreams and aspirations of innocent persons who are seeking a better life for themselves and their families. What it effectively does when these things fall apart, as they inevitably do, it significantly impacts the trust that people have in institutions, formal and informal. It erodes the

confidence and this is the part that happens, that is really going to affect us—it erodes the confidence and the ability to recognize new opportunities.

4.00 p.m.

Think about where we sit trying to transform and change a culture, move a whole nation forward, trying to do things that involve significant change in not just how you do things, but what you actually do, and finding ourselves mired with a population that has significant trust issues? So, even though the Securities Act does not seem to have anything to do with what is happening in digital transformation, because it affects the psyche and the culture of the people, it is something that we must manage and address.

In the budget speech, the hon. Minister of Finance declared broadband a public good. It means that it is as important as water, as important as electricity, et cetera. And it is not just that it is a public good. If it is going to be a public good, then it must be ubiquitously available. It must be reliable and it must be capable to do the things that you have. The State is doing its part but, again, you have to partner with private industry to get this done. The incentives associated with doing that—whole solution companies that are dealing in ICTs and so on—would do pockets of areas that are underserved, represents a significant advantage to us if we are able to do those things in that way.

When we talk about—one of the other clauses that we have, well, further to deal with broadband as a public good, the TT Wi-Fi initiative, again, is something that really allows for free Internet and Wi-Fi—“free” Internet and Wi-Fi in public spaces. Many people would choose not to use it and I have seen that. And, again, it goes back to this issue of trust. People are concerned about the privacy of their data. They are concerned about whether or not somebody is looking at what they are doing and, of course, they are concerned about other things that, you know, maybe people

make them up as they go along. But broadband as a public good will only work if there is confidence in what we have going on. It is the only way it will work.

As I close, Madam Speaker, I want to reiterate that the Finance (No. 2) Bill, 2021 will enable the implementation of many digitalization and digitization initiatives across government. I think we are tracking somewhere in the order of 85 and somewhere in the order of \$340 million just within MDT alone, and that does not in any way encompass what is happening all across government. It will lead to a couple of things: Increased ICT access for all; reduced digital skills and literacy divide which is something that we are faced with all over. The Telecommunications Authority did a significant digital divide survey. We are going to get the results of it, but we are seeing the preliminary results of it already, and you can establish that it is not just a divide between the haves and the have-nots, but it is a divide between the have-nots that actually has even more challenges like the differently abled, for example. All of those things have to be there, so that gap should be reduced. Improved internal government efficiencies; that is because we will continue on our digital government programme and, of course, stimulate the local economy as we deal with the area of digital economy.

So, it really says that, look, what we are trying to do is to drive our digital agenda. The things associated with this and the associated budget of 2022 does that. It is a key strategy for moving Trinidad and Tobago forward. And, as I started, I would say it again, as we balance to sometime conflicting priorities of managing the COVID-19 pandemic and jump-starting the economic recovery at the same time. In doing this, we must take care not to lose sight, particularly, of our longer-term vision which is sustainable development for Trinidad and Tobago. Madam Speaker, I thank you.

Hon. Members: [*Desk thumping*]

Mr. Rushton Paray (*Mayaro*): Thank you, Madam Speaker. Madam Speaker, the Bill before us today, it is what we refer to as a procedural Bill, which is required to bring measures as stated in the Budget Statement by the Minister of Finance back in October that brings life to the proposals. Our role here in the Opposition is never to rubber stamp anything, but our job is to review these clauses and poke holes in them, and the reason why we must poke holes in them is to give the Government an opportunity to measure the merits and make the necessary changes before a vote is taken to bring this thing to life. And, Madam Speaker, the Government must be wise to actively consider whatever recommendations that are brought before this House by the Opposition as well. Because I must remind the Government that, very recently, their policy decisions were rejected by half of the Unitary State of Trinidad and Tobago—

Hon. Members: [*Desk thumping*]

Mr. R. Paray:—and it is important that the State understand the requirements that policy is important to achieve the objectives, which are required to move Trinidad and Tobago forward.

Madam Speaker, I have about four or five areas that I would like to traverse very, very quickly by which I would look at some of these clauses and make my comments with the hope that the Minister of Finance will take some of it into consideration before we close this debate today. Madam Speaker, I would like to first discuss, very quickly, clauses 2 and 4 of the Bill, which pertain to a limited waiver of fees in the gambling and betting entities and, of course, for clubs and bars respectively. Now, these measures, Madam Speaker, in my respectful view, are not what they are dressed up to be.

The Government would like the nation to think that it is being altruistic in granting these partial waivers of taxes and fees, but we must recall, Madam Speaker,

that the new gambling legislation that the Government railroaded through this Parliament, earlier this year, introduced several onerous taxes on the gaming institutions. You would also remember, Madam Speaker that the operators spoke with one voice and said that the viability of their businesses was threatened as a result of these burdensome taxes. Madam Speaker, in one fell swoop, the Government had threatened the feasibility of a sector that provides hundreds of jobs, hundreds of jobs, Madam Speaker, and it supports a lot of lateral industries like the farming community and security services, Madam Speaker.

Madam Speaker, as mentioned by the Member for Oropouche West, with that legislation, the Government, basically, took with two hands and now it wants to give back a fraction with one hand. So, Madam Speaker, the Minister, in my respectful view, could have used the opportunity to quantify the sum that will be waived to such operations and indicate how many of these companies would benefit or would be impacted by these changes.

Madam Speaker, it is also essential since the Minister said earlier this year during the debate on the gambling legislation that the Government expects to raise \$500 million for the year in taxes and fees. So, Madam Speaker, that was a primary consideration with respect to that legislation. The Government wanted to tax the sector as one of its—what the Leader of the Opposition had referred to as a rake and scrape move to reduce the national budgetary deficit. We should also know, Madam Speaker, whether any gaming organizations have been forced to lay off workers or to close down as a result of this double whammy inclusive of the COVID-19 lock down as well. These things will help address the policy decisions that could take the industry forward, Madam Speaker.

Madam Speaker, the Minister should also further take the opportunity to update the nation as to how far the compliance of AML/CFT obligation—because

that was a big issue in terms of bringing new legislation in, in terms of getting the legislation to control these industries. So, Madam Speaker, those are a couple of areas that I wanted to, you know, raise these matters on in that particular area.

With specific reference to clause 4, Madam Speaker, when you are dealing with the waiver for the clubs and the bars, again, you would recall when that law was introduced as well, the Bar Keepers and Operators Association of Trinidad and Tobago, they made a claim that the Government did not consult enough with them and, in their respectful view, they were passing inequitable and unjust legislation. But, Madam Speaker, I would have thought that the Minister would have used the opportunity in bringing the amendments today to give life to his proposals, could have addressed some of the concerns of that industry and, you know, give them a little assurance that these measures are going to really prop up rather than suppress that whole sector. Madam Speaker, the sector is under tremendous strain and I believe that the 42 per cent tax waiver would only have bare limited results in propping these businesses up, at this time.

Madam Speaker, I wish now to look at clause 8 which, in my respectful view, again, is another bit of wolf in sheep's clothing, and I would explain what I mean by that, Madam Speaker. There are several measures in this clause that impact the SME sector, but my overriding concern is how the Government defines the sector and I would explain. In other words, Madam Speaker, to whom is the Government catering to in this proposal? The Government proposes benefits to SMEs that are listed in a new tier of the stock exchange, a proposal that was first made about two years ago in previous budget speeches. But, again, Madam Speaker, according to the proposed legislation, the share capital in companies listed in the stock exchange must be between \$5 million and \$50 million. It also further states that a:

“minimum of twenty-five unconnected shareholders own a total of at least

thirty per cent of the new issued share capital of the company;”

Madam Speaker, I do not know if the Government understands that this measure leaves out a vast number of small and microenterprises, Madam Speaker. For one, the definition of an SME would rule out most small and micro businesses in Trinidad and Tobago because of that requirement in the legislation. Madam Speaker, the definition varies, I must say, from country to country, but most countries describe micro, small and medium-sized businesses on the basis of the number of employees.

Madam Speaker, if you would allow me to just utilize one definition for Trinidad and Tobago, which comes up in a reputable international organization—I think it is one of the Oxford Business Group unit. In 2016, that unit said, in terms of Trinidad and Tobago:

“A small enterprise in T&T is defined as having a staff of between six and 25 employees and sales of up to TT\$5m...while the medium enterprise has 26-50 employees and sales up to TT\$10m...”

Madam Speaker, on the basis of this description, clearly, the Government is not looking out for the average SMEs within this measure.

I also acknowledged, Madam Speaker, that sales would not necessarily equate to a share capital, but it is really a guide to the economic worth and commercial value of a business enterprise. Based on that definition, Madam Speaker, the Government’s proposed corporation tax and business levy would bring no or very little benefits to most of the entrepreneurs in the SME sector.

Madam Speaker, with the Government’s already poor and limited data collection process, there are no updated figures, but between 2010 and 2015, there was an estimated 20,000 SMEs employing around 200,000 workers and representing about 30 per cent of GDP. That amounted for about 85 per cent of business in this

country. But, Madam Speaker, I can tell you within the last two years, poor government policy decisions in dealing with the pandemic, in terms of handling the economic component of the country, that has shrunk considerably putting more and more small businesses at risk. I can tell you if the legislation was properly suited to bring in more of these small businesses into the capture of corporation tax and business levy reduction, that would work better for entrepreneurship and business in Trinidad and Tobago, Madam Speaker.

Madam Speaker, if I were to go on to the Green Fund Levy, again, the way how the legislation is designed, that Green Fund Levy support, it is only targeting those SMEs that are listed on the stock exchange. So, again, another good move by the State in terms of showing some reduction in taxes but, again, it is limiting the footprint of the benefit. Madam Speaker, I think those are things that the State must look at to increase the footprint of these benefits in the small and micro enterprise sector.

Madam Speaker, if I could just turn quickly to clause 12 of the Bill, the Minister should really closely examine whether the electric vehicles to benefit from customs duty exemptions are the ones most popularly used in Trinidad and Tobago. The Member for Port of Spain North/St. Ann's West spoke about the electric vehicles and it is the position of the Government that they would like to see a 30 per cent reduction in emissions within a particular time. But, Madam Speaker, that is a good target, but I think it is an unreachable target for one reason.

Madam Speaker, I do not know how much you know about electric vehicles, but the battery banks for electric vehicles are housed in the flooring of these vehicles, which is about eight to 10 inches from the ground in most of them. Madam Speaker, in this country, you may be well aware that two or three times for the year, half of the country is under water. So, if we have to grow the electric vehicle industry, we

have to deal with flooding, because if I know an area, sorry—

Madam Speaker: Okay. I do not know, I just heard somebody commit something that, of course is offensive that we do not allow in this House. So, I would ask whoever the Member is to please desist from that kind of behaviour. Any Member who has problems in containing themselves, you could always leave the Chamber and we will gladly welcome them back in when their behaviour is considered parliamentary. Continue, Member.

Mr. R. Paray: Thank you, Madam Speaker. Madam Speaker, so as I was saying, if we want to achieve that 30 per cent reduction and we want to encourage the purchase of electric vehicles and the consumer base who has to purchase these vehicles are living in areas that are constantly inundated with flooding, they will not purchase those vehicles, Madam Speaker. So, this is where I think the State has to think about it carefully and more thoroughly to make the environment better for the purchase of electric vehicles, Madam Speaker.

Madam Speaker, as I am on the topic of the electric vehicles and the contribution of the Member for Port of Spain North/St. Ann's West, the Member spent a couple of minutes on the issue of FDI, and he identified two or three areas where there was potential in terms of the investment in FDI in the energy sector, which is welcome. I do not think anybody in this country would deny that any investment at this time is bad. But what is worrying and concerning for me, Madam Speaker is, we have some deadlines for carbon and carbon requirements and green economies by 2030, which is about eight years away.

Madam Speaker, we seem to consistently and to continue to beat this one-track pony of the energy sector. So do not get me wrong, I want the investment. But where is the FDI in the non-energy sector? Because at some point in time, beyond 2030, as we get into 2040 when you have Europe and Japan stopping the production

of gasoline and diesel engines and so on, our economy must be able to stand on its own in the non-energy sector and after six years, the State has made no progress. This Government has made no progress in building that non-energy sector by encouraging the FDI in that area. So, Madam Speaker, the new growth profile that is needed is in the non-energy sector which the State must pay some particular attention to.

Madam Speaker, let me touch quickly, in the couple of minutes that I have remained, in the contribution by the Minister of Digital Transformation. The Minister was very clear. I think the Minister has a good idea, a good vision of where he wants to go but, again, I think the policy decisions are mismatched, because the Minister mentions end-to-end transformation but, clearly, if the Government end of the transformation is well set and apace, I can tell the Minister, from my experience, more so, in rural Trinidad and Tobago, the customer base for services is not ready, because in rural Trinidad and Tobago the penetration is absolutely poor.

Madam Speaker, schools are still under-prepared for digital transformation in this country, Madam Speaker. Madam Speaker, if we want a culture for the digital age to start to develop our schools, I would have thought that from the time the Minister came into his new portfolio last year, some time, two or three areas would have been high on the agenda: Pushing out broadband into communities, especially rural communities; pushing broadband into schools, taking note of the fact that with COVID-19 we need more children to operate with limited amounts in the school or even from home. Those things I would have thought would have been critical and the necessary legislation brought today to encourage the growth in those areas. That did not happen, Madam Speaker.

Madam Speaker, and the Minister makes one plea that broadband should be equated as a public good like water. Madam Speaker, that is something I have a

concern about, because water is something that half of the country is not getting on a timely basis. So, if we want broadband to be like water, well, I think we lost the game right off the track there, Madam Speaker.

Madam Speaker, just quickly, with regard to the incentives placed for the SMEs in terms of digital transformation, I have some issues with regard to the wording. There seems to be some mismatch with regard to the terms digitalization, technology transformation. Madam Speaker, those words seem very, very grey. And when I say it is grey, what sector are these incentives targeting? Is it ICT, health, energy or finance? Technology solutions in what, is going to benefit from these huge discounts and incentives? Is it any inconceivable area under the sun?

Madam Speaker, by not having a clear boundary definition of information technology, digitalization or technology development, this is going to open—how do you put it boy?—I mean, it is going to stonewall when you have some businesses who want to invest in these areas and, two, it could open an opportunity for common and rogue businesses to prey on the taxpayer. So, I thought that the legislation could have been more definite, put what specific industries that you want to see this development in the SME sector and that would eliminate those grey areas that could cause some confusion.

So, Madam Speaker, with those few words, I want to ask the Minister to, perhaps, address some of these concerns and, perhaps, we can have better legislation going forward to put the country in a better track, better footing going forward into 2022. Thank you, Madam Speaker.

Hon. Members: [*Desk thumping*]**The Minister of Planning and Development (Hon. Camille Robinson-Regis):** Thank you very kindly, Madam Speaker. Madam Speaker, as we are here to discuss the measures that the Minister of Finance has put in place to ensure that the undertakings that we made in the budget become a reality

through this Finance (No. 2) Bill, Madam Speaker, let me start by indicating in relation to some questions that were asked by the Member for Pointe-a-Pierre, that the issue of carbon capture and carbon sequestration is an issue that has occupied, not only the Ministry of Energy and Energy Industries but, certainly, the Ministry of Planning and Development. Because, as we well know, as we deal with the issues of environmental management and other issues of that nature as it relates to the environment and ensuring that Trinidad and Tobago actively participates in the undertakings that we have made as a country to implement the Paris Agreement and further to implement the agreements under COP 26, we have continued to ensure that we have done what is necessary for us in Trinidad and Tobago as a continuing oil and gas economy to balance that reality with the reality of the changing environment.

And, Madam Speaker, as it relates to the issue of carbon sequestration, it is clear that carbon capture and storage would enable pure streams of carbon dioxide to be captured from industries such as power generation and ammonia production and be permanently stored in geological formations such as spent oil and gas wells. That is a reality, Madam Speaker. And whilst this technology is still maturing, it is a technology that is one that is being used in various parts of the world and has already been recognized by the Intergovernmental Panel on Climate Change as a technology that would be required in order to achieve enough carbon sequestration to keep the Paris Agreement temperature goal of 1.5 per cent. And Trinidad and Tobago's use of carbon capture and carbon sequestration is in keeping with this goal. And so, my friend from Pointe-a-Pierre, as the representative for Pointe-a-Pierre, should really have no fear that the Government of Trinidad and Tobago is not moving in the right direction.

The Minister of Energy and Energy Industries did, in fact, indicate the

mechanisms that are being used, and I want to just add to what the Minister said or continue to add to what the Minister said by indicating that reaching this goal and Trinidad and Tobago doing its part can only happen if accurate assessments of the amount of carbon stored can be made, and this is through proper carbon accounting, which is a framework that has been developed through the Paris Agreement. And we have been putting our methodology in place to ensure that in the case of using carbon injection for enhanced oil recovery, which is the mechanism that we are using, that we can, in fact, determine the amount of carbon dioxide actually being sequestered, against the carbon content of the oil recovered.

4.30 p.m.

So we have been doing what is right and what is in the best interest of the industry and we have been doing this by defending the projected boundary and thereby, we have been able to determine the efficacy of the carbon capture and storage for enhanced oil recovery as a mitigation technology. So Pointe-a-Pierre has nothing to worry about as it relates to how Trinidad and Tobago has been putting forward its technology in relation, specifically, to our oil and gas industry.

And let me place on the record also, Madam Speaker, that the Ministry of Planning and Development is in the process of developing a carbon pricing mechanism and a policy for participation in the international carbon markets based on the adopted rules of the Paris Agreement. So in fact, we can, in short order, be able to monetize our carbon emissions, also monetize our reductions and we will be able to indicate what is the reality as it relates to carbon sequestration and the use of the technology in terms of our oil and gas recovery. So, Pointe-a-Pierre, Trinidad and Tobago is on the right track, so you really have nothing to worry about.

Madam Speaker, let me turn now to the issue of the electric vehicles. I am amazed by the Member for Mayaro indicating that because of the fact that the battery

for the electric vehicles is in the flooring that we would have to fix the issue of flooding before we can get electric vehicles in Trinidad and Tobago. It was almost a ludicrous suggestion, Madam Speaker, because any vehicle—you should not drive any vehicle through a flood. So it is not only electric vehicles, Madam Speaker. I do not know where he got this brilliant idea that he was coming up with something so smart that he had to specifically mention the issue of electric vehicles. I am sure he does not drive his non-electric vehicle through a flood at this time. So I thought that was just a ludicrous suggestion.

Madam Speaker, let me also indicate that with regard to electric vehicles, the international protection ratings for electric vehicles indicates that the levels of protection that are afforded to the battery against dust and jets of water is so high that any such eventuality would not negatively affect the vehicle. In fact, it has been developed to such an extent that any electric vehicle would be fully protected even if it were—even if the driver were to do like Mayaro and drive through a flood. So that is really a non-point that was made by my colleague from—my colleague, the MP for Mayaro.

Let me state further, Madam Speaker, that whilst clause 10 deals specifically with the issue of bringing electric vehicles to Trinidad and Tobago and how we are going to do this in such a way as to make these vehicles more affordable, in reality, not only are we making these vehicles more affordable but we are trying to make sure that this is the direction in which the citizens of Trinidad and Tobago eventually go, so that there are more electric vehicles on the market. And this is even before the outcomes of the COP26. As a matter of fact, the outcomes of the COP26 indicates to us that countries and governments are now accelerating their energy transition plans under the Paris Agreement in order to achieve their net zero by the second half of this century and many countries are now revising their net zero emissions plan.

Consequently, for Trinidad and Tobago, Madam Speaker, a crucial aspect of our implementation is to ensure that we revise our plans and we are in the process of doing that. And specifically, in relation to our participation in COP26, I was honoured to have been chosen as the ministerial transparency champion for finalizing the rules as it relates to the Alliance of Small Island States, AOSIS, and therefore, led the negotiations on the issue of transparency to adopt the final decisions that came out of COP26. What it means, therefore, is that every country, including the Republic of Trinidad and Tobago, regardless of the quantum of their emissions, would be subjected to international review and would have to report to the United Nations in a transparent manner on what actions are being taken and account for the achievement of our commitments.

Madam Speaker, you would recall that the National Development Policy of Trinidad and Tobago, *Vision 2030*, the SDGs, the Roadmap to Recovery documents, all talk about the issue of climate change and the issue of putting the environment at the centre of all development. As a matter of fact, the *Vision 2030* document states that very clearly, that the environment is to be placed at the centre of all development, both physical development and the development of our human resources. So, Madam Speaker, we have not only been moving in the direction of electric vehicles but now we are also moving to develop the 112-megawatt solar farm which would represent a 10 per cent of the power requirements for the country of Trinidad and Tobago. And as the Prime Minister said at COP26—he made an international commitment to increase our complement of renewable energy to 30 per cent by the year 2030 and therefore, plans for this transition are underway and the introduction of electric vehicles is a significant part of this plan, Madam Speaker.

Madam Speaker, Trinidad and Tobago has embarked, therefore, on a trajectory of phasing in electric vehicles to meet this ultimate policy objective of

sustainable transport as part of the energy transition and increasing our climate ambition. The phasing in of the electric vehicles is now an imperative given that many countries are increasingly indicating that they plan an end date to the sale of new fossil fuel vehicles as early as 2025. And consequently, the Minister of Finance has to be commended for ensuring that this budget spoke specifically to the introduction of electric vehicles and making these tax concessions as it relates to electric vehicles. And so, Madam Speaker, as we move in this direction, I want to put on the record that moving to electric vehicles will have major socioeconomic benefits.

And these range from lowering the operating cost of vehicle transportation because conventional fossil fuel vehicles, Madam Speaker, would be more expensive over time than if you had an electric vehicle. And my colleague spoke about the home charging ports and so on, and also it will involve improving air quality by avoiding air pollutants such as oxides of nitrogen, ground-level ozone, volatile organic carbon and very fine particulates which have been found to be major health issues for many people in Trinidad and Tobago, especially our young children who have respiratory problems. We have quite a number of people who suffer from asthma in Trinidad and Tobago and it is clear that once we move in this direction, the amount of air pollution will be reduced.

Madam Speaker, I want to make the point additionally that our environmental commitments through this Finance Bill—the implementation of this Finance Bill and through what the Minister has said in the budget and all of the other issues that we have raised in the budget, specifically in relation to environmental issues, Trinidad and Tobago's National Development Strategy has always been to place the environment at the centre of our development and it is not only with electrical vehicles that this is a reality. Madam Speaker, as you know we have the Green Fund

and clause 11 of this Bill, in particular:

“...would amend the Miscellaneous Taxes Act by inserting a new section, 62B to vary the rate of the Green Fund levy, for Small and Medium...”—enterprises—“that are listed on the Trinidad and Tobago Stock Exchange, for a period of ten years.”

Madam Speaker, what does this mean for these enterprises? The objective of this, Madam Speaker, is to make the necessary investment for these small and medium enterprises to become listed on the Trinidad and Tobago Stock Exchange.

So the Green Fund, therefore, will—it would mean that for the Green Fund, for these small and medium enterprises that become listed, that for the first five years they will have zero contributions to the Green Fund. Then after, by year six, it will be 50 per cent of what the current percentage is and that levy is now at a point of 0.3 per cent. And then after that, it will go to the full amount—that is after year 10—to the full amount of the 0.3 per cent. But the objective, Madam Speaker, is really to encourage our small and medium enterprises to become listed on the Trinidad and Tobago Stock Exchange.

But, Madam Speaker, it gives me an opportunity to talk about the Green Fund a bit. Madam Speaker, as at September 30, 2020, the amount in the Green Fund was at just over \$7 billion and the Green Fund has before it—and has funded 15 projects from the year 2010 to current. These 15 projects are throughout Trinidad and Tobago. And while the Green Fund remains pledged against the overdraft—as we well know, the last Government pledged the Green Fund against the overdraft—the Green Fund has been able to give, annually, the sum of \$150 million which is available to community groups, to the EMA, to other agencies of that nature, both in Trinidad and in Tobago to be able to develop a number of projects that relates specifically to environmental management, to teaching what is necessary, to develop

best practices as it relates to the environment. And as a consequence of that, the Green Fund has been playing its role effectively in Trinidad and Tobago.

Madam Speaker, clause 10 of the Bill that is before us talks specifically about giving an allowance to companies that incur expenditure in the conservation or preservation of properties of interest certified by the Minister to whom responsibility of the National Trust of Trinidad and Tobago was assigned. At this time, that is the Minister of Planning and Development and this allowance would be equal to 150 per cent of the actual expenditure incurred by the companies up to a maximum of \$1 million. Madam Speaker, this is of great significance to the National Trust and to the Ministry of Planning and Development because what it means is that such an allowance would allow companies—

Madam Speaker: Hon.Member, your time expires at 4.46.

Hon. C. Robinson-Regis: Thank you very much, Madam Speaker. What it would mean, Madam Speaker, is that such an allowance would allow companies that incur expenditure in the conservation or preservation of properties of interest, certified by the Minister of Planning and Development, to actually develop that what is necessary now to get the built heritage up and running effectively.

At this time, Madam Speaker, the National Trust has 60 properties that are either listed or in the process of being listed for as part of our national heritage. It is part of our—and our national heritage inventory, we have close to 600 properties. It would mean therefore, Madam Speaker, that businesses or persons who are interested in ensuring that this part of our heritage is maintained or is developed, there is an—it is an asset and it is also something in which they can in fact invest and be able to feel proud about investing in the built heritage of Trinidad and Tobago.

Madam Speaker, I would like to commend once again the Minister of Finance

for ensuring that this is the reality in which we find ourselves and I commend this Bill to the House. Thank you very kindly, Madam Speaker.

Hon. Members: [*Desk thumping*]

Madam Speaker: Chaguanas West.

Hon. Members: [*Desk thumping*]

Mr. Dinesh Rambally (*Chaguanas West*): Thank you, Madam Speaker. Madam Speaker, I start by—first of all, I would like to adopt and endorse all that has been said on this side by the previous speakers. Madam Speaker, it is unfortunate that one of the comments or suggestions made by my colleague, the Member for Mayaro, was so, you know, lightly dismissed as though it is a non-starter and the previous speaker on the other side, Member for Arouca/Maloney was, you know, making this point as though it is very simple. Now, we are talking about electric vehicles and the point that Member for Mayaro was making was that if it is you are talking about incentives for persons to invest in these electric vehicles, it is a real consideration that if it is, you know—we are all talking about battery powered and I heard one speaker before talk about how it is you plug it into the port and how you take steps to—it is so easy to recharge and—et cetera. The point about it is that all of those things may be well and good but if it is the battery is positioned in the vehicle in such a way that it is going to be easily damaged or hampered or somehow stymied in just driving through floodwaters, that is a real consideration in this country.

A lot of this country, when we have downpours these days, it is just easily flash flooding and in some cases, you know—especially in my constituency, Chaguanas West, you have serious flooding and the water does not go down for at least a day and a half, so you have to wait 36 to 48 hours before the water dissipates. So I do not know that you could treat so lightly with that suggestion. It is a real suggestion and you just do not drive where there is flood. So what are you doing?

You are buying an electric vehicle to park up in your garage? You are going to buy an electric vehicle to just park in your backyard and say, “Well, I bought an electric vehicle, Minister of Finance, woo-hoo! This incentive is working for us”? I mean, these are common sense things that are being raised but it is just being so easily dismissed by the other side. So I want to say that I am quite disappointed because that is a real consideration. People, you want to give them incentives and this is what Member for Mayaro was so politely pointing out.

[MR. DEPUTY SPEAKER *in the Chair*]

So, Mr. Deputy Speaker, you see, what is happening is that it seems to be that there is a trend coming from the other side that, you know, you just so cavalierly put blame on the citizenry or you put blame on the Opposition when we are, you know, making suggestions, constructive criticism and this is what we continue to see. And I want to “tack back” on something that the Minister of Finance, the Member for Diego Martin North/East had said when he piloted this Finance (No. 2) Bill. And in speaking about the SMEs, you know, the loan guarantee programme, he was saying that, you know, the SMEs or a lot of the SMEs, they do not have proper discipline in keeping accounts; their inventory of assets may not be up to date or up to a particular standard; they do not have proper management system, et cetera, et cetera. Now, becoming publicly listed, we understand that point, Minister of Finance, Mr. Deputy Speaker, that they will have to have their systems in place but this is something that you have to understand, the reality of the SMEs in Trinidad and Tobago.

So why I want to “tack back” on that, Mr. Deputy Speaker? We cannot put the blame on SMEs if it is they have, in your view, certain items of housekeeping which are not up to date and you think that you are going to force them into compliance when it is you say, “Okay, you have to list yourself now. There is an

incentive in listing yourself on the stock market.”

So I want to say that the measures which the Minister of Finance is seeking to introduce by this Bill, this Finance (No. 2) Bill—obviously following on the budget presentation, we have heard speakers on both sides try to justify the particular measures but these measures are insignificant, please, Mr. Deputy Speaker. And they will not serve—when we have highlighted what we have done before and will continue to do on this side, you will see that they will not serve to boost the economy in a manner that is needed at this time. And so, we can talk about a lot of the things that we are hearing on the other side on the electric batteries and stuff—of course, it is an initiative that will have to be transitioned over a period of time. So we are entitled on this side to put our criticisms so it can be taken on board and moving forward, we want to talk about what initiatives will actually bring some fruit at this point in time.

There are no strategies which have been identified, no key areas which we can point to, which we are able to say that it is to be developed in a short term as opposed to medium and long term and therefore, one cannot glean that from this Bill. So following on from the budget and now we are dealing with the implementation of the measures which they want to introduce, we cannot glean that from this Bill that is presently before us. We are unable to see, for example, where is the diversification effort going to come from.

Now, getting back to the statement made by the hon. Minister of Finance when he was referring to the loan guarantee programme and, as I said, he was saying that, you know, people have this indiscipline in Trinidad, I want to refer to an article. This is the Oxford Business Group and I think the Member for Mayaro did make reference to a part of this but I am not repeating or touching on the aspects he has referred to. The Oxford Business Group—and there is an article which was published and this

is in 2016, and it is entitled:

“Trinidad and Tobago launches initiatives to secure funding for small and medium-sized enterprises”.

So I am taking the time just to refer back, Mr. Deputy Speaker, because in dealing with that statement, we have to look at where we have come from and whether or not what is being proposed today by virtue of this, if I may say loosely, “implementation Bill”, whether we are actually going to move forward. So what it says, Mr. Deputy Speaker—and I have used this because I know sometimes when we use local media print articles, we are accused and the authors of the articles in the business column of these various print media articles are accused of being part of the UNC and we are all conspiring against the Government. So I want to use this, the Oxford Business Group, and what it says in respect of Government funding support. It says that the:

“The new government has promised to increase support for SMEs.”

So this is 2016, Oxford Business Group, they are saying and they are reporting on Trinidad now:

“In his October 2015 budget speech, Colm Imbert, minister of finance, noted that SMEs have been generating a significant proportion of new employment opportunities in the country, and that they are particularly attractive to a younger generation interested in innovation and the use of ICT.”

So this is something that the hon. Minister was saying in 2015:

“However, as SMEs often suffer from a lack of funding and training, the government said it would ensure appropriate funding for state institutions involved in supporting them...”

And they go on to list NEDCO, National Enterprise Development Company, and some other opportunities which they have put forward in the article.

Mr. Deputy Speaker, what I would want to say is that when we look at what has taken place since 2015 till now, what we have seen is that the SME sector has been under some tremendous pressure and this has been taking place since 2015. Now, we accept that the pressures that they would have gone through would have been compounded during the pandemic and therefore, that part we will be prepared to accept. I mean, that is part of the reality that we live in now.

In 2020, what it resulted in is that the retail sector now is closed or was closed for a considerable length of time and then, you are talking about the manufacturing sector, bars, restaurants, they were also closed as well. So what obtained, even though you had the manufacturing sector, the bars, the restaurants, et cetera, the retail sector having suffered, you know, some scorching effects of the pandemic is that just like the Oxford Business Group citing what was promised since 2015 or the direction in which the Government intended to go from 2015, moving forward, the loan from First Citizens Bank, the NEDCO grants, the rental grants, Mr. Deputy Speaker, we have to look at the reality. It is very difficult to access these incentives.

What you have to produce—and I do not think that we could cast it down so lightly to say that it is the indiscipline of the SMEs. You have to produce audited financial statements, annual returns, cash flow projections, collateral. Some of the SMEs are not in a position to go down the road of making sure that they are up to date with these items at all points in time.

So then, you also have a problem—and I heard Member for Oropouche West speak to this when he was contributing earlier that, you know—the situation with forex as well. So we must note that almost—there has been no forex available to these businesses to facilitate purchase of goods. That is a reality on the ground. So, Mr. Deputy Speaker, I am pointing out these things because we have to understand what it is SMEs are dealing with. Freight charges for imports, that is something I

think I heard someone on this side mentioned as well. This has increased by some 500 per cent as well. So, if I may say, markup, it is now heading in the direction of their goods being very expensive. So this is all that we have to contend with. So what you have is freight charges are going up; almost 500 per cent is what is obtaining now. Freight companies are now requesting payments to be done in US dollars. I have also spoken already about the forex issue. So this is what we have to look at. And I want to go back to the Oxford Business Group article and I want to make this point before moving on:

“Wainwright Iton, CEO of the T&T Securities and Exchange Commission...agreed it was difficult to encourage new companies to list on the stock exchange. In this respect, the Jamaican stock exchange had been more successful in recent years, offering newly listed companies significant tax breaks. Firms listed on Jamaica’s Junior Market get a five-year exemption from corporate tax, followed by a heavily discounted rate over the second five years.”

And this is what the Oxford Business Group goes on to make:

“However, a similar programme in T&T had been less successful. ‘People here are very entrepreneurial, but a lot of what they are doing is very private and informal, so the offer of tax breaks is not a strong incentive,’ Iton told OBG, noting that many are also put off by what are perceived as unnecessarily complex corporate governance requirements.”

So, Mr. Deputy Speaker, the point is, it is not a matter of where you can just easily ascribe the blame to some kind of indiscipline. When you look at the factors in which they have to operate, these SMEs, you have the forex situation. You have, in terms of SMEs, you also have a position where the ease of doing business—we are not making this up and I do not want to repeat what speakers have said already—

the ease of doing business is quite low.

So on the contrary or in contrast, I should say to Jamaica, the Jamaican model and how Jamaica has been faring with their SMEs and the implementation of an incentive like this, Trinidad, we must question the effectiveness of moving forward with this kind of incentive that we are seeing in the Finance Bill today, particularly clause 8 and clause 11. So I make the point simply to refute that it is not the indiscipline of any SME or the personnel within SMEs. There are serious factors at play, Mr. Deputy Speaker. We must bear that in mind.

5.00 p.m.

So, I make the point simply to refute that it is not the indiscipline of any SME or the personnel within SMEs. There are serious factors that play, Mr. Deputy Speaker, we must bear that in mind. If we understand this then we may be in a better position, in a more informed position to really know what is needed to help SMEs.

So, Mr. Deputy Speaker, I suppose what we will see and we will have to look at it in the next six months or so is exactly how many persons are going to be listed and if they become listed then we would know, well, that is the starting point. The incentive is something that has been sold and then we will hear from them whether or not in terms of the correlation between Business Levy and Green Fund Levy and Corporation Tax and how it applies to them, whether or not they are actually benefiting. So that is something that we will see, but I just wanted to make the point that it is not simple as saying that it is their fault. So the Government needs to move away from ascribing fault all the time to the UNC and to the citizenry and take some of the measures and the suggestions on board.

Now, Mr. Deputy Speaker, I want to move quickly along to clause 6 of the Bill. And I want to say that if ever there was a formula, if ever there was a recipe for, I want to make it clear that if ever there was a recipe at clause 6 for rewarding

inefficiency, this is what is found at clause 6. So here it is we have since 2016, 2017, 2018, and I see one of our colleagues in the House and I was looking at this in preparing this Bill, in assessing it, on August 09, 2019, the Ministry of Trade and Industry website, there was an article:

“Trade Minister encourages port efficiency and modernization to improve trade”

And, of course, that is noble, that is a noble objective. But April 12th, 2019, you also have the Minister of Works and Transport talking about, you know, taking such steps and the Government needs to obtain and achieve more revenue from the ports, and he would have referred to all of the ports, PLIPDECO as well included.

But, Mr. Deputy Speaker, what happens is that I really have difficulty in understanding that if you are talking about attracting persons, private entities to partner with the ports, that what you can do is the port already has customs duty exemption, it already enjoys—you have customs duty exemption, it already enjoys income tax exemption and now you are talking about simply adding on VAT exemption. So that is what clause 6 is seeking to do and I am saying that this is a formula for rewarding inefficiency if ever there was one.

So whilst it is, you know, government-controlled Port Authority and you are seeking to have partnership being created with private entities moving forward, somehow even though you have already accessed exemptions, income tax and customs duty, you are saying that that is not good enough, we are now going to have to add the VAT into that as well and so we are going to exempt VAT as well. I just do not see how the inefficiency at the port is to be solved by now exempting VAT.

The inefficiency at the port if even VAT was to be some, you know, panacea and the cure for the inefficiency by exempting the VAT, how is it, Mr. Deputy Speaker, that this now translates into attracting the private entities to come and

partner with the port. So I am saying that we really do not see it matching. I am at a loss at clause 6 to really understand how this is going to attract private entities to come and partner with the port. And the problem, the problem which has been identified by the Minister of Finance in the budget, which we heard in October, was the inefficiency at the port.

So I do not understand, how, when they already enjoyed the exemptions of income tax and customs duty that adding VAT to it is simply, miraculously going to cure everything. So that is something that I—that is why I said that this is the formula or recipe for rewarding inefficiency. If that is the case, why not lower VAT for other businesses as well and let them enjoy some lower VAT duties? And also when we think back, Mr. Deputy Speaker, what is the position with Petrotrin? Why could a similar model not have been adopted in terms of dealing with Petrotrin?

So, Mr. Deputy Speaker, I want to say in conclusion that as we move forward we have to take on board whether or not 2015, some of these measures was the Oxford Group—

Mr. Deputy Speaker: Member you have two more minutes.

Mr. D. Rambally: Yes. Thank you, Mr. Deputy Speaker. As I have pointed to the Oxford Business Group report in 2016, what you have seen is that some of these measures have been stated since then 2015 and you are now seeking to implement it now in 2021; you have implemented it in such a manner that we are saying that it really does not make any business sense. Whilst you are seeking to copy models which exist elsewhere there is a fundamental difference between what takes place in those other places and Trinidad and Tobago, namely forex issues, the ease of doing business and I have listed them, so I do not want to rehash it.

So, Mr. Deputy Speaker, looking at this Finance (No. 2) Bill 2021, which seeks to merely implement the policies which the Minister of Finance and the

Government thinks is the way forward, we are saying no on this side, that we do not expect that it will treat with what is presently taking place and it does not really point to any short term relief for the citizenry. It has certainly spelt nothing along the medium term and long term, well, that is just hopeless. So if it is electric vehicles and the way we charge those batteries are going to help us, I do not think that we have heard enough to convince us on this side. So, Mr. Deputy Speaker, with those few words, I thank you very much.

Hon. Members: [*Desk thumping*]

Mr. Deputy Speaker: I recognize the Minister of Trade and Industry.

Hon. Members: [*Desk thumping*]

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

Thank you very much.

Mr. Deputy Speaker: And you have 20 minutes.

Sen. The Hon. P. Gopee-Scoon: Thank you very much, Mr. Deputy Speaker, and it is always a pleasure to come to the Lower House. It pleases the people to speak, it is an opportunity, and I came just in time. I may have missed previous speakers because it seems that many people spoke on the whole question of SMEs. But I listened to the last speaker and usually with 20 minutes you would find a very focused contribution. But in this instance the Member went from Petrotrin to SMEs to all over the place, to electric vehicles, et cetera, and really out of it I got nothing except a lot of dooms day and negativity for the proposals which are presented here today. And I cannot therefore support that kind of positioning when in fact Trinidad and Tobago is a place, a country where there are more than 20,000 SMEs, we know that, and they contribute significantly to our economy and to employment.

Hon. Members: [*Desk thumping*]

Sen. The Hon. P. Gopee-Scoon: And therefore it is very disappointing that

this is the negative thinking that will come from the Opposition when this is a sector that could really help us to transform our economy when you talk about 20,000 SMEs and those are the—and I think it is more, 16,000 to 20,000 and those are the registered ones, the ones in the former economy. And many of you represent constituencies in the rural areas and you know that there are many SMEs out there as well that are employing people and generating income and therefore you have to be positive about all of those and about the importance of migrating them into the formal economy because that is where the growth opportunity comes.

So I am very pleased to be here today to support the Finance (No. 2) Bill, 2021, presented by the Minister of Finance which really puts in effect the budget measures with regard to, many of them, regard to further support for the SME, and who can argue against that. Support for research and development and innovation, because if you are going to talk about growth that is what is going to carry you forward; support for manufacturing and, of course, I would not say anything much about it, but of course there was support also for the betting and gaming industry, the local horseracing industry which falls under the Ministry of Trade and Industry at this time and which will migrate into the Ministry of Finance when the whole sector is redeveloped via the new legislation, the gaming legislation that was just passed.

So again being critical to the country's economic and performance and building—I always talk, I always talk about building this very robust entrepreneurial eco-system. And I want to say this country has done extremely well, because it is not just government alone that has been a strong part in building this eco-system, but also academia in terms of CARIRI, in terms of UWI and the progress made there and also in terms of some of the financial sector. And I will tell you—so—and I will come later to a programme which was launched this morning called “ScaleUp

Trinidad and Tobago”, and I was so pleased to be a part of that with the Unit Trust.

But generally again, going back to the entrepreneurial ecosystem, very important that we develop these as they are going to play a fundamental role in the transformation, not just the development, but the transformation of the economy when we talk about diversification and so on. Because we do not want these SMEs to be ensconced in the retail sector only. I think we are a creative people and I am confident that we could help them find new ways to developing their inherent creative skills to venture into new areas that would find, that would cause them to produce niche products and to enter into niche export markets particularly that e-commerce is now alive especially with the pandemic and so on.

So, contrary to the Opposition, I am all positive about this entrepreneurial ecosystem which has been developed. And again I pay attention—it does not give attention to only—sorry—to the startups but also for those early stage firms, firms that have been around for one to five years, these SMEs. And then of course all of them if they do the right things can develop into mature firms and there are facilities that are geared towards the mature firms as well.

So I spoke about all of the research and development facilities, and the tax incentives for the startups and, of course, for the early stage firms, in particular, the SME capacity building enhancement which was announced by the Minister of Finance in the last budget, the \$50million facility. Again which will help the startups, which would help the informal small businesses in terms of—you spoke, Member for Chaguanas West about some of the areas in which they have issues, in the management, in the accounting, in the HR, and on the approach to formalizing themselves. And that \$50 million facility, grant funding by the Ministry of Finance is going to help those small businesses, those micro businesses further develop and

grow.

And you are talking about a number of family businesses and I cannot see how you could be fundamentally opposed to family businesses that have really helped this economy to grow and I have seen them start from mere peddlers decades ago to being conglomerates. So we all have to be positive and we are all leaders here and speak to the possibilities for all these youngsters and all these families that are talking business, that are looking for opportunities and help them to grow.

Hon. Members: [*Desk thumping*]

Sen. The Hon. P. Gopee-Scoon: So, as I was saying that I think there is—not only for the startups but for the early stage businesses as well. And I was saying to you that this morning I was very pleased of be part of the launch of ScaleUp 2022. And what it is, it is a partnership with the Unit Trust Corporation, an internationally recognized firm, who has been involved in ScaleUp programmes across the globe. And it is that Unit Trust had launched, and this is through their corporate social responsibility. They are more involved as you know in investments, but this is again through their corporate social responsibility in April 2021 they had taken a cohort of 11 firms. And along with this internationally recognized professional firm helped a number of businesses in the area of manufacturing, agroprocessing, ICTs and services and upon conclusion many of them were already reporting revenue growth, export growth, online sales, the creation of new jobs and that was then in April 2021 when that was launched.

When we got together today and we got an update from four of the firms who spoke at the launch, measurable growth, a great accomplishment. And so we are very, very, pleased in the Ministry of Trade and Industry to have, and again with the support of Minister of Finance, to have developed this programme now. So it is going to a new cohort, and it is all about entrepreneurial know how and improving

their technical skills and their management competencies again so that there can be measurable growth over a four months period and, of course, another cohort coming in in late 2022.

So these are the kinds of positive realities that are taking place within our economy. And I know that the Minister of Finance would have spoken about this junior stock exchange for SMEs and it is something that I feel very dear about, I will tell you why. It started, it did not start too well, there are only two firms listed on the junior stock exchange, but we looked to our neighbours to the north, Jamaica, who have done extremely well with it and so we are—the Minister of Finance has given several incentives to assist, and what is this? This is essentially providing financial support for SMEs who are in a state of readiness to go on to the junior stock exchange. As I said, and you have understand the process, they have to be in a state of readiness.

So you will have those micro businesses that cannot be listed, and I think earlier one of you seemed to have gotten quite confused about that. The junior stock exchange is not for the micro businesses. For the micro businesses who are having difficulties, CARIRI is there to help them move from their kitchen stage of production, let us say, to the commercialization of their product. Of course there are research and development grant funds, there are grant funds in the Ministry to help all these micro enterprises. It is when they grow and they mature to the small enterprise stage or the medium enterprise stage that they can then get on to the junior stock exchange which will help them to further promote their businesses and create further employment and therefore contribute to the economic development of Trinidad and Tobago.

And what this is?—it is about these businesses now having the opportunity to get large infusions of capital from the public. And again this is not Government

doing a hand out, this is because their businesses would be in a state of readiness so that they would get these large injections. So they will have access to what is called equity financing, so that they would be publicly traded and therefore once the businesses is in a state of readiness they will attract that kind of capital. Once on the SMEs it means that they would have an enhanced profile and visibility and their products would be more recognized and they would gain prominence and, of course, and this is what is going to help them to get new business and this is what is going to help them to begin to export. And, so again, banks will also be attracted to them as well there because they are going to be more recognized and therefore they would be able to perhaps then seek further financing from the commercial banks at lower interest rates because the risk is lowered.

So, there is only good to come out of this and you have to understand the progression of businesses and the momentum that businesses will gain as they go along the chain and as they gain support from largely from the Government but also from UWI and CARIRI and all of these other institutions. You have to understand the process, you have to understand the potential. And I am very, very, pleased about what Minister did with regard to the expansion of the guaranteed loan programme, because as you know we had launched that before and to some extent you would say not enough businesses took up this despite the effect of the pandemic on the economy and so on. But you know what, the Minister of Finance listened, the Government listened and readjusted and came back in this budget, recapitalized \$196million and then changed the product, altered the product to the extent where now the guarantee moved from covering just 75 per cent of the loan amount to 100 per cent.

So there is absolutely no risk to the bank at all. And then of course there was access now to greater funding. So you have a wider band of funding from 500,000

to \$25 million so that the mature firms, the SMEs, the early stage development firms can all participate and, of course, the loan repayment have been extended, and, of course, the moratorium of two years remained. And the Minister would have talked about even where it is that they have not formalized themselves to the extent, where they are registered with BIR and NIB and up-to-date in their commitments that has been also looked at. So there is a later—an earlier threshold which they have to meet which is December 2018.

So it is all very, very progressive Member for Chaguanas West, I mean I heard you, but I would imagine other speakers would have criticized, but there can only be good coming out of it. Again, the Minister would have also in the budget and we are here to make it happen, speak to the support for ICT in manufacturing. And again the manufacturing sector we know is a catalyst for achieving economic transformation and diversification and increase in our export earnings. It is also reducing our foreign exchange leakages. The sector is also responsible for a large number of persons being employed and so on. But what this pandemic enforced is really the need and the plant—and this applies to the plant, this applies to ecommerce in terms of ICTs.

So what the pandemic reinforced is the need for social distancing and contactless business transactions and so on, and so many of the businesses have started to use the ICTs, Information Communication Technology and also the e-commerce platform to ensure that there is business continuity and there is business growth. So we are also very, very, pleased with those kinds of support measures by the Minister of Finance. How much time do I have, Mr. Deputy Speaker?

Mr. Deputy Speaker: Just about six minutes.

Sen. The Hon. P. Gopee-Scoon: Great. Thank you. And again for the support for research and development and innovation. If we are going to be successful in

entering new markets Trinidad and Tobago has to come up and businesses have to come up and early entrepreneurs desirous of getting into business with new products and even larger businesses have to become very, very innovative and ensure that they to come up with new products as well to ensure that you can survive in this very competitive environment, not only locally, but in the region as well and externally as well.

Only today I was very happy to meet, to have a discussion with Nestlé and what we were talking about? This is a conglomerate and you would think, okay they are fine, they are sitting there and doing well and I sure they are exporting, et cetera, but it is always new products. I am so pleased to say that Nestlé would now engage, they have gotten the support from the Government and they will now engage in the production of plant-based milk locally. All of the plant-based milk, almond milk and so on, is now imported into Trinidad and Tobago, but Government has given the support and they too have gone to their headquarters and today that meeting was about confirmation that they would get into the manufacturing of the almond milk business. That is good business for Trinidad and that is import substitution so that there is no need to import almond milk into Trinidad and Tobago. It also means export markets, because that is a growing product in terms of taste and nutrition. So, research, development, innovation, new products, new market research all very, very, important.

I want to tell you there are three pieces of technical work that the Ministry will embark on in the coming year as well, and as we look at this whole question of diversification and addressing this export diversification strategy and of course I speak on countless occasions about our export booster programme. Yes, it is good to have the programme but the strategy must be there. And therefore, again we have to look at producing along the same lines I was talking about more value added

products and not just focusing only on the primary and intermediate products. So again we have to look at our agriculture and agro-processing sectors and subsectors. Look at all our beverages that we can produce, the organic products, the gourmet products, the fish processing that we can do. We have to look at our light and higher value manufacturing as well. All of these to help us to be, to accelerate the new products, the expansion of new products so that we can in fact realize our export diversification strategy.

And I can tell you that a study had been done by UN ECLAC showing that these rising star products that can be produced in Trinidad and Tobago. And this is what we have to sell to the business population, products which can be sold to East and South Asia like our pulp and waste paper products; vegetables and fruit and sugar; scrap metal; gas and I am talking about energy and non-energy products as well to the Caricom countries; greater cereal production, because they are still importing too much cereal, vegetables and fruit, all our coffee, teas, cocoa spices—

Mr. Deputy Speaker: Member you have two minutes.

Sen. The Hon. P. Gopee-Scoon: Sorry.

Mr. Deputy Speaker: Two minutes.

Sen. The Hon. P. Gopee-Scoon: Right. Central America, fish, shell fish, our tobacco products and fertilizers, coffee, tea, tobacco, spices. To the US: miscellaneous food products, fertilizers, iron and steel and this is kind of technical work that we must do. What we could sell to the EU: pharmaceutical products, furniture and furnishing. We have to expand the furniture industry as well and to the UK.

So that is the kind of progressive thinking that we on this side are doing. We are also, the other two pieces of technical work would be the regional value chain work, understanding what our comparative advantages are, understanding what the

client comparative advantages are in the rest of the region so together we can come up with new products on an integrated basis that we can manufacture together within the region and we also would be doing another technical study on strengthening our sectoral linkages in Trinidad and Tobago, understanding the forward and backward linkages in examining agriculture, manufacturing, tourism, et cetera. So we understand all the linkages and all the possibilities what they are so that we can communicate this to the population.

So we are forward thinking on this side, we are progressive, we believe in our people and their business capabilities and we will not be negative like you in the UNC. Continue in your negative ways. We are moving forward and I thank the Minister of Finance for the good work that he has done today in supporting entrepreneurs, small, medium and large. Thank you very much.

Mr. Deputy Speaker: I recognize the Member for San Fernando West and you have 20 minutes.

Hon. Members: [*Desk thumping*]

The Attorney General and Minister of Legal Affairs (Hon. Faris Al-Rawi): Thank you, Mr. Deputy Speaker, for this opportunity to address a few important matters on the record. Mr. Deputy Speaker, I would like to say this has been a very anaemic debate. Some of the points made by Members opposite are literally shocking. I had to hear two or three of my colleagues opposite defy the progress and reality of electric cars. Let us pray Elon Musk does not have access to television in Trinidad and Tobago or to the Internet, because God forbid, Mr. Deputy Speaker, that electric cars will all of a sudden cannot work because of water. I mean there is a well-known advertisement where Tesla, in fact, demonstrated that the batteries are so well insulated that an electric vehicle can actually be used as a boat for a short while and float on water.

So, Mr. Deputy Speaker, that is just to put the level of ridiculousness that we heard on the record into context. This is by far a more serious debate than whether a flood is going to cause electric batteries to have problems. I mean after all Germany had a devastating flood the other day and I did not see them shut down the electric car industry. So, Mr. Deputy Speaker, to my learned friends opposite, especially the Member for Chaguanas West, I expected a little more. You know why?—I expected at least one lawyer opposite to stand up and address these issues that I am about to address.

Hon. Members: [*Crosstalk*]

Hon. F. Al-Rawi: Mr. Deputy Speaker—

Mr. Deputy Speaker: Please.

Hon. F. Al-Rawi:—we heard the Member for Mayaro say that he expected the Minister of Finance to do more. We heard the Member for Oropouche West say that he expected more people to be protected and that the Minister of Finance had an opportunity.

5.30 p.m.

I wish to thank from the people of San Fernando West, the Minister of Finance for including clause 3 and clause 13 into this Bill. And what are those two clauses? Clause 3 amends the Proceeds of Crime Act, clause 13 amends the Securities Act. And, Mr. Deputy Speaker, when one recognizes that this Bill addresses the concept of protecting those that participate in micro financing—let me break that down. Micro financing for those opposite who are just not interested in the research, demonstrates protecting people who effectively use alternative methods of financing. What is that? The bankless. What is that? Separating out the issue of fraudulent securities, Ponzi schemes, pyramid schemes away from traditional safe ventures such as the sou-sou.

Now, I do not know how many people know that sou-sou as a part of our culture comes from our forefathers from Africa. “Asue” or “su su”, s-u s-u or a-s-u-e as it comes out of Africa is a traditional method of financing which we today protect, and for the thousands of people involved in community protection, community financing, this is an important Bill. So, Mr. Deputy Speaker, permit me to say we witnessed, as the Minister of Finance put on the record in his piloting, a scourge of activity where persons took advantage of “innocent investors” in this country, promised them wild and ridiculous returns, returns which just were too good to be true. And, Mr. Deputy Speaker, the first time a government has had the courage to legislate this area of law to protect investments, to protect hard-earned moneys for hundreds of thousands of people is under this Government. But that is not good enough for Mayaro, and that is not good enough for Chaguanas West, and that is not good enough for Oropouche West because that is what you call “big people party money”.

When we have to deal with the protection of the small investors as this Bill does, I want to say first of all when we look to criminalize the definition of a prohibited scheme as clause 13 sets up, we are dealing effectively with a concept referred to in the Financial Action Task Force as rotating savings and credit associations. When we deal with this we are directly addressing—and I wish to put it on the record—strengthening the requirements of Recommendation 26 of the Financial Action Task Force, and strengthening and broadening the use of administrative sanctions under Recommendation 35 of the Financial Action Task Force. When we separate out these types of structures, Mr. Deputy Speaker, we have specifically examined a number of laws, and for the record as I expect there to be litigation, and therefore, for the general purport of statutory interpretation, permit me to say that we looked at four different models in coming up with clause 13 and

in clause 3. We looked at whether we should park this type of protection in the securities arrangements as we do; whether we should use consumer protection laws; whether we should use fair trade or competition laws as a third alternative; or whether we should use standalone laws and examine the whole concept of regulating these types of mechanism, for instance, as was done in India where the concept of general non-bank traditional structures were dealt with. What this Government elected to do, much like two particular jurisdictions in the Caribbean, Jamaica and the Bahamas, is we wanted to make sure that we did not affect the sou-sou structures which are very legitimate in our country. And very specifically, we elected to amend our Securities Act.

Now, Mr. Deputy Speaker, for the record, it can be argued that section 4(1) of the existing Securities Act allows for types of prohibited activities to be caught in the definition because it is arguable depending upon the facts that a Ponzi scheme or a pyramid scheme can be an investment contract. If it meets the criterion of being an investment contract, then potentially you can catch these masquerading too good to be true schemes as breaching sections 61 and 62 of the Securities Act, or section 93 of the Securities Act. Section 93 is where you have a fraudulent investment scheme, and sections 61 and 62 is where you have an obligation to register your schemes.

The problem that we face here is that the trickery that has been perpetuated on the people of Trinidad and Tobago for quite a long while. The Member for Pointe-a-Pierre must know that Ponzi schemes and pyramid schemes were not a part of the Trinidadian landscape today or last year. They have been around for a while. But when you look to the fact that these investment “too good to be true” schemes can fall outside of the definition of an investment contract, we came up with this particular definition so that we can capture two very important aspects of case law.

And I do this again for the record as I expect litigation to challenge parts of

these laws, I would like to say we sought to bring into law the *SEC v W. J. Howey Co.* It is a 1946 decision in the United States. It is called the Howey test which is a three-limb test, and we have also sought to bring into the modified version of the Howey test in what we call the *Pacific Coin Exchange of Canada Limited v Ontario Securities Commission* Pacific coin 1978 test. I want to put these on the record as an aid to statutory interpretation.

In particular, if you are investing your own money in a common enterprise with others investing and you are led to expect profit solely from the efforts of others, that is a promoter or a third party, then you have an investment contract. You can add that into managerial concept considerations, but suffice it to say in our definition of a prohibited scheme we are making sure to capture where last in coming money is used to pay for investments that have been put in already. In other words then, if you put in your \$3,000, they promise you \$28,000, you do not want to use other people's \$3,000 to come and pay for your \$28,000. Not in a circumstance where there is no legitimate trade or investment which is born as a result of some form of investment methodology which is real in substance, the essence of this law is that the substance has to be there. And therefore, protecting our hard-earned moneys from people who are treacherous and deceitful is a core underwriting aspect of this Bill, and I would like to thank the Minister of Finance for taking a very serious step to amend the Securities Act.

It is critically important that we cross-pollinate and that we get to the Proceeds of Crime Act. We are seeking to amend the Proceeds of Crime Act to make sure that money laundering can be captured for these devices which we now criminalize. Equally importantly, we are taking the opportunity to amend 156A, as in alpha, in the Securities Act so that we can capture administrative fines. We are moving the formula for administrative fines up from \$500,000 to \$5 million. Now, you will

recall, Mr. Deputy Speaker, the Securities Act came under serious issue. There was a terrible scandal in this country which my friends opposite are well aware of, that is, the IPO for the FCB matter. The then Minister of Finance, Larry Howai, had some serious issues to answer. The law was found to be inadequate and those persons who breached the Securities Act got a pittance slap on the wrist arrangement because the law was just simply in administrative fines, too low. You will know, Mr. Deputy Speaker, that we amended that law last year in the miscellaneous provisions Act of 2020 where we amended section 156 of the parent Act. Today we amend section 156A.

So, Mr. Deputy Speaker, permit me to say that this is a most critical aspect of amendment. I will wrap up very quickly now as I know the Minister of Finance is in a position to wrap up this debate. We were told by the Member for Pointe-a-Pierre that there be no other speakers opposite and he is a man of his word so we trust him. We must trust him when he begged me to come to the podium to speak before an Opposition Member spoke. So—

Hon. Members: [*Laughter*]

Mr. Deputy Speaker: Please, please. Members, please.

Hon. F. Al-Rawi: But the record will relate—

Mr. Deputy Speaker: Address the Chair.

Hon. F. Al-Rawi:—Mr. Deputy Speaker, whether the Member for Pointe-a-Pierre can be trusted as a man of his word. But suffice it to say the relief to the gaming industry is critical, the Registration of Clubs Act, the Liquor Licences Act, require the payment of taxes to be done at the beginning of the year as a conditionality for licensing. I want to commend the Minister of Finance for finding the space in a hard-pressed environment where taxation is the only way people can survive. By receiving taxes in the Government, you pay them out for COVID relief, for

medicine, et cetera, and therefore, these are no small measures.

I gave my word I would not take my full time because the Minister of—our Leader of Government Business had an arrangement with the Member for Pointe-a-Pierre. So we are people of our word, and therefore, I thank you for this opportunity, Mr. Deputy Speaker.

Hon. Members: [*Desk thumping*]

Mr. Deputy Speaker: Now, Chief Whip, I—[*Crosstalk*]

Ms. Ameen: [*Inaudible*]

Mr. Deputy Speaker: No, no, no. Members, please, please. Please Members. Chief Whip, in terms of the relevance of the Attorney General's comment, I can proceed? Okay. So I will recognize the Minister of Finance and you have 20 minutes in wrapping up.

The Minister of Finance (Hon. Colm Imbert): Thank you very much, Mr. Deputy Speaker, and may I thank the Opposition Chief Whip as well for allowing us to wrap up this debate rather quickly today. Let me just deal with some misconceptions, and because of the good behaviour of the Chief Whip I think I would just forgive Members opposite for just not knowing what they are talking about, rather than assuming that they are just being mischievous. Let me assist hon. Members with respect to the use of the electric vehicles in very rainy weather including flooded roads and so on. I do not know where that came from, I do not know what playbook that came from, but just let me help hon. Members. I am reading from a publication from a site—you can check it yourself—it is called HDFC and the particular commentary is, “Are electric cars safer in flood water?” And they make a point which should make it obvious that this is an unnecessary worry.

“Since electric cars are harbingers of new technology, and manufacturers understand that they need to win the customer's confidence, these vehicles go

through rigorous testing and follow several safety protocols.

Most modern electric vehicles have resorted to putting the battery and other electric components in the bottom section...”

So that was the only part of the contributions opposite that was correct. Everything else was incorrect.

“...one that is most likely to be exposed to flooding. However, the components are well-sealed, insulated, and are watertight, to ensure there’s no seepage of water. Electrocution, therefore, is not a risk, when you take your...”—electric vehicle—“...through flooded areas.

Electric cars undergo high pressure, deep water testing in extreme conditions to ensure comprehensive plugging of any weak spots.”

—And I come now to the matter the Attorney General raised—

“The founder of Tesla, Elon Musk, recently showcased how a Model S could float well enough and could turn into a boat for short period of time, using the vehicle’s wheel rotation for thrust.”

That is one scientific article. Here is another, and again I am doing this just to educate:

Most people would have seen images...

—this is another automotive site—

“...of vehicles floating down main streets or people caught on a flooded road.

So the question arises as to whether an electric vehicle...”—caught in such a flood—“...is...more dangerous than the petrol...”—or diesel fuel vehicle.

“...how does an...”—electric vehicle—“respond...in this situation?” And this is important:

“First of all, there is the...(International Protection) rating system that...”—all electric vehicle—“...components must comply with.”

The IP rating as it is called, is in the particular case of most electric vehicles is IP65.

“...the first number...refers to sealing against dry stuff getting in...”— such as—“...dust) and the second (5...) refers to water getting in. IP65...”

—which is international protection protocol—

“IP65 means the item is totally sealed against dust entering in and is protected from...water”—under pressure—“from any direction.

...electrical”—vehicle—“components, in particular those in the high voltage sections of motor, speed controller, and battery, are rated to IP66 or better.”

So it is beyond IP65.

So I just want to assure Members that because electric vehicles are new, manufacturers are compelled in order to win the market share that they would be looking for to ensure that electric vehicles are absolutely safe, and from the research certainly electric vehicles are as safe as or far safer than traditional combustion engines because they have to be made watertight as part of the international protection protocol. So this idea about an electric vehicle being dangerous in a flood or shutting down in a flood is just incorrect.

There is another statement made by one of the hon. Members opposite, I believe it is the Member for Mayaro, and this is a common misconception that has its origins in a period in Trinidad and Tobago that was at least 20 years ago, and there is a common misconception that our energy sector contributes the bulk of revenue to the economy. That is simply not true. I have looked at the *Review of the Economy 2021*, Appendix 22, and if one looks at the energy sector revenue

compared to non-energy sector revenue—I am giving you an example. In fiscal '21, the energy sector contributed 23.5 per cent of all revenue for the Government, and the non-energy sector contributed 76.5 per cent. So the non-energy sector in fiscal 2021 contributed three times the energy sector. And if you go back into 2020, 2019, 2018 and so on, in 2018 almost an identical pattern. You will see that the non-energy sector has been contributing the lion's share of revenue in Trinidad and Tobago for at least the last 10 years.

There was a time, it is a fact, I would say 15/20 years ago especially in the days when oil was over \$100, \$140, natural gas was selling for \$13 and when we were contributing 70 per cent of all LNG imports into the United States, in those days the contribution of the energy sector was 55 per cent, 60 per cent and so on. But those days are long gone and we now have a very resilient non-energy sector which contributes in some instances as much as 75 per cent of our economy. So I just thought I would make those points because there are many, many misconceptions that are out there that can mislead people significantly.

If I go now to some of the other contributions, the Member for Mayaro surprises me every time he contributes. He makes some statements that just do not make any sense, but I will try my best to deal with what he said. The Member for Mayaro, the hon. Member, sorry, does not seem to understand that it is impossible for a micro business to list on the stock exchange. Impossible! Because of the requirements for listing on the stock exchange in terms of capital formation and in terms of all the other requirements, it is impossible for an entity that has one, or two employees, or five employees as the case maybe, to even contemplate listing on the stock exchange. What we are seeking to do is to encourage small and medium enterprises, because the micro has to grow into the small first before it could even think about listing on the stock exchange.

You know it is fashionable to talk about micro businesses and so on, but we are dealing with a very specific measure here and I would take Members back to the first time in 2020 when we began to look at the whole concept of listing small and medium enterprises on the stock exchange. And the reason why we have made all of the significant changes that we have made to the regime in terms of extending the tax holidays now up to 10 years—it used to be five—reducing the taxes down to zero and down to 15 per cent all over a 10-year period is because we recognized that the first attempt at a junior stock exchange—this was done by another administration. Not by this administration. The first attempt at encouraging small and medium enterprises to list on the stock exchange was not very successful because there are not many of them.

So that we decided to take a look at regional Governments and regional stock exchanges to see how they had succeeded where Trinidad and Tobago was not doing very well in terms of encouraging SMEs to list on the stock exchange. And in Jamaica, because we were borrowing from the Jamaican model, in addition to tax breaks, that is one part of it—and the tax breaks we are giving are very significant, moving from a five-year tax holiday to a 10-year tax holiday. In Jamaica, there is the concept of mentorship. So that a small or medium enterprise cannot list on what is called the junior stock exchange because you have to understand there is going to be a two-tier level of the stock exchange—well, there already is one with the junior stock exchange—and the requirements on the junior stock exchange are not as onerous as the requirements on the main stock exchange. But in Jamaica they recognized that you do not just give tax concessions, you also have to help the SME to acquire all of the features and all of the discipline that it needs in order to list properly and to thrive and grow.

So in Jamaica they have the concept of mentorship. So another company, a

well-established company who is already listed would apply to the stock exchange in Jamaica to be listed in a special list of fit and proper mentors. We are already deep into discussions with our local stock exchange to create such a list so that when the SME is now seeking to list on the junior stock exchange, not only will it get tax concessions, but it also will be partnered with a mentor approved by the stock exchange who would guide the SME through the entire difficult process of moving from a small business with some level of indiscipline because these are facts, you must not run away from it. There is absolutely no doubt that many of our small businesses do not have the necessary financial and managerial discipline that they should.

So that the purpose of the mentor is to explain, guide, teach, educate, and help and support the small business to acquire the characteristics of a larger business so that when they get onto the stock exchange they can attract capital. Because that is the main reason why you want these SMEs to list so that they could have an IPO—an initial public offering—they can raise capital for their development, for their growth, and so on, through an IPO, and they can only do that when they put out their prospectus, investors would read the prospectus and they see this company has potential, and if I invest in this company at the beginning with its IPO, I could see capital gains and a good income stream coming out of this investment. So the whole point of listing is essentially access to capital. And if you look all over the world there are many, many jurisdictions that deal with these challenges, the issues and challenges that affect SMEs in terms of getting on to the stock exchange and they are all very similar.

If you look at what is happening in India, if you look at what is happening in Southeast Asia, if you look at what is happening in Europe, it is all more or less the same. These issues are universal where these SMEs, as I indicated, they are not very

disciplined in terms of the way they manage their human resource, in the way they manage their accounting, how they manage their projects, how they look at their cash flow and so on, and all over the world the challenges are the same and the same approach is used to assist SMEs in many different ways. Not just tax concessions, but also giving them the mentorship that they require and this is going to be one feature of one of the changes we are going to make to the junior stock exchange to assist SMEs to list.

If I look at what else was said, well, of course the Member for Oropouche West as per usual made his usual politically outlandish statements. For example, that we have made no amendments to VAT on food. Totally wrong. We have exempted on November the 1st by Legal Notice No. 259 of 2021, adjustments to the Schedule 2 of the VAT Act and provided for exemption from VAT for no less than 58 basic food items. So that is a fact. With respect to the question from the Member for Pointe-a-Pierre, the legislation is quite clear. The expenditure has to be incurred in investment in carbon capture and storage and enhanced oil recovery. Each company that is involved can access the benefit. It is not a conglomeration. Once you are a company and you incur expenditure in carbon capture or enhanced oil recovery, you will be eligible for the tax benefit. So it could be 10 companies involved in it, they all once they meet the criteria will be eligible for the benefits. So I hope that answers it.

And this is a brand new field, eh. We do not have too many companies doing this right now. So we thought we would peg the measures in a particular framework and let us see how many companies get involved in this and then we can adjust to suit as we go along. If we find that there is significant appetite for this kind of investment, of course, we can raise the level of the exemption and so on. But because it is brand new and not many companies doing it, we thought we would start off at

this level.

In terms of other contributions made—well, I had a very interesting report from my staff. My staff have done a précis or a summary of the contributions of all Members opposite who made statements, and when we came to Chaguanas West, whereas in other contributions from other hon. Members, they went through word by word, things like what is an SME, what is the definition of digitization, what are the fees in the gambling sector, the situation that the Member for Pointe-a-Pierre asked about in terms of the benefits for carbon capture and enhanced oil recovery would they—you know, they gave me counter points and so on, to each one.

6.00 p.m.

“I shame to read this”, you know, Mr. Deputy Speaker, but I will read it.

Upon review of the contribution by the Member of Parliament for Chaguanas West, no significant points were made and therefore, no counterpoints are required and I think that sums it up. And with those few words, I beg to move.

Hon. Members: [*Desk thumping*]

[MADAM SPEAKER *in the Chair*]

Question put and agreed to.

Bill accordingly read a second time.

Bill committed to a committee of the whole House.

Madam Speaker: This Bill has 15 clauses.

House in committee.

Madam Chairman: Can we do 1 to 9? Okay.

Clauses 1 to 9 ordered to stand part of the Bill.

Clause 10.

Question proposed: That clause 10 stand part of the Bill.

10. In paragraph (b), in the proposed item 49(d), delete the word “typewriter” and substitute the word “typewriters”.

Madam Chairman: Minister of Finance.

Mr. Imbert: Thank you, Madam Chairman. This is just a typographical error we are cleaning up, changing the word from “typewriter” to “typewriters”. So the singular to the plural. Just a typo.

Madam Chairman: Chief Whip? Okay. The question is that clause 10 be amended as circulated.

Question put and agreed to.

Clause 10, as amended, ordered to stand part of the Bill.

Clauses 11 to 12 ordered to stand part of the Bill.

Clause 13.

Question proposed: That clause 13 stand part of the Bill.

13. In paragraph (c)(ii), in respect of 165A(4), delete the word “Advertises” and substitute the words “Knowingly advertises”.

Madam Chairman: Minister of Finance.

Mr. Imbert: Again, Madam Chairman, it is another typo. If we go on page 11 of the Bill—well, clause 13 down at the bottom, 165A(4), which is (c)(ii), the word “Knowingly” should have been in front of “advertises”. So—you got it?

Madam Chairman: Yes.

Mr. Imbert: Right.

Madam Chairman: Okay. Whip?

Mr. Lee: Yes.

Madam Chairman: Yes. The question is that clause 13 be amended as circulated.

Question put and agreed to.

Clause 13, as amended, ordered to stand part of the Bill.

Clause 14 ordered to stand part of the Bill.

Clause 15.

Question proposed: That clause 15 stand part of the Bill.

15. Delete the word “comes” and substitute the word “come”.

Madam Chairman: Minister of Finance.

Mr. Imbert: Again, we are changing the form of the word from “comes” to “come”. We are dealing with a list. This is a typo again.

Madam Chairman: Whip.

Mr. Lee: Yeah.

Madam Chairman: Right. So the question is that clause 15 be amended as circulated.

Question put and agreed to.

Clause 15, as amended, ordered to stand part of the Bill.

Question put and agreed to: That the Bill, as amended, be reported to the House.

House resumed.

Bill reported, with amendment, read the third time and passed.

ARRANGEMENT OF BUSINESS

Madam Speaker: Hon. Members, we shall now resume to the item of business which was earlier deferred.

PAPERS LAID

1. Summary Courts (Appeals Against Fixed Penalty Notices Issued Under the Public Health Regulations) Rules, 2021. [*The Attorney General and Minister of Legal Affairs (Hon. Faris Al-Rawi)*]
2. Civil Proceedings (Amendment) Rules, 2021. [*Hon. F. Al-Rawi*]

UNREVISED

3. Audited Financial Statements of the Rural Development Company of Trinidad and Tobago Limited for the financial year ended September 30, 2020. [*The Minister of Finance (Hon. Colm Imbert)*]
To be referred to the Public Accounts (Enterprises) Committee.
4. Public Procurement and Disposal of Public Property (Record of Proceedings) (No. 2) Regulations 2021. [*Hon. C. Imbert*]
5. Public Procurement and Disposal of Public Property (Challenge Proceedings) (No. 2) Regulations, 2021. [*Hon. C. Imbert*]
6. Public Procurement and Disposal of Public Property (Ineligibility Proceedings) (No. 2) Regulations, 2021. [*Hon. C. Imbert*]
7. Public Procurement and Disposal of Public Property (Retention and Disposal of Personal Property) (No. 2) Regulations, 2021. [*Hon. C. Imbert*]
8. Public Procurement and Disposal of Public Property (Miscellaneous) (No.2) Regulations, 2021. [*Hon. C. Imbert*]
9. Public Procurement and Disposal of Public Property (Evaluation) (No. 2) Regulations, 2021. [*Hon. C. Imbert*]
10. Public Procurement and Disposal of Public Property (Participation in Procurement) (No. 2) Regulations, 2021. [*Hon. C. Imbert*]
11. Public Procurement and Disposal of Public Property (Pre-Qualification and Pre-Selection) (No. 2) Regulations, 2021. [*Hon. C. Imbert*]
12. Public Procurement and Disposal of Public Property (Procurement Methods and Procedures) (No. 2) Regulations, 2021. [*Hon. C. Imbert*]
13. Public Procurement and Disposal of Public Property (Procurement of Consultants) (No. 2) Regulations, 2021. [*Hon. C. Imbert*]

14. Ministerial Response of the Ministry of National Security to the Third Report of the Public Administration and Appropriations Committee on the implementation of the recommendations of the Twenty-Fourth Report of the PAAC on the examination into the Processing of the payment of Pensions and Gratuities of Retires, Public Officers and Contracted Employees. [*The Minister of Planning and Development (Hon. Camille Robinson-Regis)*]
15. Ministerial Response of the Ministry of Foreign and CARICOM Affairs to the First Report of the Joint Select Committee on Foreign Affairs on An Examination of the Foreign Policy of Trinidad and Tobago First Session (2020/2021), Twelfth Parliament. [*Hon. C. Robinson-Regis*]
16. Sessional Report of the First Session (2020/2021), Twelfth Parliament of the Republic of Trinidad and Tobago. [*The Deputy Speaker (Mr. Esmond Forde)*]

ADJOURNMENT

The Minister of Planning and Development (Hon. Camille Robinson-Regis):

Thank you very kindly, Madam Speaker. I beg to move that this House do now to Friday the 17th day of December, 2021, at 1.30 p.m. At that time, we will deal with the Trinidad and Tobago Revenue Authority Bill and we will also debate the Public Procurement and Disposal of Public Property Regulations that were laid today and these are Papers 7, 8, 9, 10, 11, 12, 13, 14, 15 and 16. Thank you, Madam Speaker.

Question put and agreed to.

House adjourned accordingly.

Adjourned at 6.13 p.m.