



Delivered By THE HON SHARLENE L
CARTWRIGHT ROBINSON, Leader of the
Opposition and Shadow Minister for
Border Control

*July 14, 2014
House of Assembly, NJS Francis Building
Grand Turk, Turks and Caicos Islands*

RESPONSE TO BUDGET ADDRESS 2014

*“TCI In The Midst Of Uncertainty,
Struggle And Challenges: More of the
same”*

SALUTATION

Mr. Speaker, my honorable colleagues, persons in the Gallery and those listening by Radio Turks and Caicos, good morning.

I wish to before I begin to offer notes of sympathy and congratulations to families and individuals in these Islands.

EXPRESSIONS OF SYMPATHY

I extend heartfelt condolences to the families of the LATE Kareem Walkin, Annie Hall, Bradley Delancy, Ralston Hinds, Gainal Clarke. I encourage us all to keep these families in prayer. I also wish to encourage us to remember family of the Late Rev James Williams who will be celebrated and laid to rest this weekend and Nelson Musgrove who was laid to rest Saturday past and all those who recently lost loved ones. A few of these deaths were tragic and sudden and I know that these experiences are even more difficult. It is my prayer that God will guard the minds and hearts of the grieving families and that we will all keep them in our prayers.

NOTES OF CONGRATULATIONS

On another note, I wish to extend congratulations to all of our Valedictorians and Graduates from all the Schools in the Turks and Caicos Islands. We owe it to those who have worked hard and applied themselves. I am disappointed that the Ministry of Education has abandoned the award of scholarships to Valedictorians as this policy served well and I look forward to hearing the reasons for the abandonment of this Policy.

Challenges Youth face in finding jobs after Training

We have a number of students returning from overseas amidst the challenges, I invite them to stay focused and remain committed to making a contribution to these Islands we call home. Mr. Speaker though it would be remiss of me if I do not speak to the myriad of challenges that they face upon return. Many of them still being scholarship recipient find it difficult to find employment. This **Government Mr. Speaker, continues to fail to set policies that will protect our people be it by ensuring that those who can are employed in the Public Service or by ensuring that work permits have stipulations and are policed. We see in this past year where this Government removed stipulations from work permits. For those who don't appreciate what I am talking about, it is where a work permit says final work permit etc. With**

such a small work force, we ought to be able to manage it to ensure that those we invest monies in by way of scholarships and grants overseas return and are gainfully employed. Mr. Speaker we can ill afford to lose monies vested in our students when we see the return to meagre sums for scholarships. Mr. Speaker the Government's lack of policy statements will hurt this country in the long run and it really needs to stop blaming persons and create policies and guidelines that protect our youth in the public and private sector. It must lead, Mr. Speaker by example.

However I say welcome home to our young people and to remind them that there is indeed a role for you to play. Mr. Speaker, this is their home and I encourage them to do their part, study hard and ensure that you are able to make a contribution. I say to them Mr. Speaker, don't give up, time is not as long as it has been.

SPORTS

Certainly, I cannot move on without congratulating our athletes. I say congrats to all those athletes who were the recipients of scholarships overseas as a result of the efforts of Coach Kevin "Bubba" Harvey and I wish to publicly thank him and Coach Evans for their positively impacting the lives of our youth.

I wish to say congratulations to Delano Williams, Ifeanyi Otounye, Angelo Garland, who continue to do well and those who traveled to Martinique this year on the Carifta Team. Courtney Missick, just keep focused. We recognize your efforts in Mexico and understand your plight. I want you push for your 21 second record but take good care as you have a great future in athletics ahead of you. Mr. Speaker I recognize and solicit prayers for our Commonwealth Games Team as they travel to Glasgow, Scotland. May God's speed be with you all.

Youth - Sports and Programs

Mr. Speaker, Sports has so many benefits and it continues to be ignored. Mr. Speaker this Government has not even vested \$1m in Sports in this Budget under the Sports Department. This is why Mr. Speaker I will continue to believe and will agitate for the removal of this Department as a Department and a return to a Statutory Body where it can receive external and other source funding. Sports needs help Mr. Speaker and it is dying under this Government. Bidding for Carifta Mr. Speaker does not show a commitment to Sports. It only highlights what is wrong as our

athletes are not the recipients of all year round training in preparation for the Meet and our infrequent Meets leaves them less than sharp. We are producing some athletes in this indifferent climate. Imagine Mr. Speaker if we really trained them and support them. Sports Mr. Speaker has proven to be an area that teaches our youth discipline, comradery, teamwork and conflict resolution. It has also been seen to unite the most divided countries. Yet we are yet to see an aggressive sports plan and Mr. Speaker lest the Government says that the \$5.6m from the failed Payroll Tax which is obviously miracle money was going to cover it, let me say that this is one area that the private sector can partner with the Government. I pause to thank those sporting bodies that are driven by private sector and I commend them for the fine work they are doing. Mr. Speaker, the Government just appears to have no desire to create and develop this Program for our Youth or any other. Mr. Speaker last year I pointed out that the Cadet Program was removed and the Youth Parliament ceased and was removed under this Government and I was told by the Minister that it was being removed so that it can be brought back with major changes and would not pretty much be the Cadet Program as we know it, well it is back and I am grateful that it is but I dare to say, there are no changes as such and I can only conclude that the Government took shame and reintroduced it. Whatever its motive thank you for responding to the call to have it reintroduced and I look forward to it positively impacting our youth.

Youth Mr. Speaker need to feel that they are appreciated and we are seeing too many of them falling between the cracks in the absence of meaningful, organized and positive Programs. Mr. Speaker the devil still does find work for idle hands to do. Youth require investment and serious commitment. This entire summer the Ministry of Education does not have one Summer Program. The devil still finds work for idle hands to do and the Police will tell you that petty theft increases when students are on leave. We continue to say they are the leaders of tomorrow but I say they can and should be the co - leaders today. Whether we invest in them or not, they will be tomorrow's leaders and it is up to us what type of leaders they will be and what type of country we will have. Youth and Sports as an important develop tool must receive more than lip service.

APPRECIATION OF THANKS

Mr. Speaker, as we are in a Budget Session, I wish to thank the public servants and the Donor agencies that continue to support these Islands.

The work of the public servant under such restraints and restrictions in this Budget process presents new challenges and we would wish to say to them that their hard work has not gone unnoticed.

CIVIL SERVICE

Mr. Speaker last year, my Statements on the Civil Service drew trumped up charges against myself and my colleague, the elected representative from Wheeland and the Government members dismissed our concerns about pay disparities between local and expatriate holders of the same post by citing the number of local heads of department. **Mr. Speaker the Government continues to miss the boat on the concerns of the Civil Service.**

Mr. Speaker, if the Premier would meet with the Civil Service, something he has yet to do since he was elected, he would hear their concerns. Mr. Speaker, one Meeting with them will reveal that:

The Civil Service does not feel that's the government has their wellbeing at heart for growth and development. They feel duped by the current leadership and this deception has affected the support for the Civil Service Association. Despite the many injustices still meted out to our civil servants and the sore lack of representation in too many cases, **the apparent misuse and abuse of the Service for person's selfish ambitions has left a bad taste in their mouths** Mr. Speaker. During this last year trumped up charges were levied against a teacher and he was bamboozled and rushed into a resignation and not allowed to carry a representative with him. How sad a state of affairs.

Mr. Speaker Succession plans to ensure Turks Islanders progression and elevation still appears non-existence. Last year Mr. Speaker, I told this Hon House that the *“budget should be signaling succession planning. As a matter of fact when one go through this budget every page should have an element of succession planning but I see little effort being made to ensure that our people once again hold the reign of power in this country. The mere fact that we have contract workers being transferred between positions tells you that we are in trouble. If there is succession planning we should be seeing counterpart positions in the budget. Many years ago this was the case. The counterpart person was more like the shadow person within the department. So if the contract Director goes to a meeting this person would have also attended. This ensured that the contract worker knew that at every stage there would be one contract and his/her job was to ensure that this is the case. If we are truly serious about cutting expenditure this is one of the ways of doing so. This is how succession planning takes place. One would have expected the Premier to make sure that*

this happen. Have we forgotten the hardworking Turks and Caicos Islanders in the TCI Civil Service? This budget is perhaps showing empowerment but for who? Certainly not Turks and Caicos Islanders.”

Mr. Speaker “if we want to truly build this nation we must first stop belittling our people by making them feel as if they are less than their foreign counterpart” whether in the public or private sector.

This Government, Mr. Speaker seems hell bent on ensuring with others that our people are marginalized. Mr. Speaker, it is the Premier’s job to ensure that our people are protected and to have policies and procedures put in place to stop it. I am sure he will say the Constitution is stopping him but we will get to that. I say this to the Premier again he “...must find ways of reversing the dangerous trends in the TCI Civil Service...” and work together with whomever to protect our people.

Mr. Speaker the previous PNP government often boast of how much money was spent on scholarship and I congratulate them for at least using some of taxpayers money wisely but the same young people that they claim to have educated now cannot find a place in this local economy because the present PNP government refuses to put in place the necessary policies that will empower our people. They refuse to put in place policies that will ensure that our people can succeed. Look at the meager sums that have been allocated to training of the local civil servants. Using the taxpayer money to school our children was a wise decision but not ensuring that the areas were prioritized was a poor decision. However, Mr. Speaker I do not believe this is the case. I believe that we have qualified Turks and Caicos Islanders to fill these positions within the TCI civil service. A PDM government will ensure that the necessary policies will be taken to cabinet to ensure that this happens. A PDM budget would clearly show empowerment for the people of this country.

Mr. Speaker I note the cost of personnel after the Voluntary Severance Scheme which had as one of its component, the reduction of cost of emoluments and note that the cost of personnel emoluments is reaching pre VS levels with much less staff and my fear Mr. Speaker is that when we really cost out how much it cost to fund a Civil Service to encourage greater level of productivity and give them paper, ink, toilet tissue, this country will be shocked. The Budget and surplus last year is a serious statement. The Government when boasting of its surplus, civil servants continue to work in less than suitable and conducive conditions. Postal workers after a sick out have been placed in cramped conditions where they are nowhere as productive as they will wish to be, fire fighters cannot even get emergency vehicles maintained, people in Islands out of Provo and especially in North and Middle Caicos cannot be sick or die with dignity. The latest tragedy in Middle Caicos highlighted the need

again for attention and imagine the deceased had to be brought back on a door, Mr. Speaker and another patient had to be placed on the back of a truck sitting in a chair. My God Mr. Speaker in 2014 and we boast of surpluses. Mr. Speaker, the Garage in Provo may one day collapse if it does not get the attention it needs, schools cannot seem to get their full lot of text books, enjoy more suitable and conducive environments. In fact Mr. Speaker CHHS asked students to pay \$5 so as to help to purchase paper to sit their exams. And we have a surplus and put more than we budgeted for in the Sinking Fund. The Minister of Health in this Honorable House Mr. Speaker made light of the lack of gloves, protective gear – clothing and covering for Ambulance workers and then sought a donation from the Shadow Minister for Health. This is serious Mr. Speaker. My colleagues Mr. Speaker will highlight more examples on the plight of the Civil Servants under this Government.

And Mr. Speaker before the Government goes and blame the procurement process, there was no Accounting Officer during the PAC Hearings who stated that the process was a hindrance. I tried Mr. Speaker to solicit this information so that a recommendation can be made but even with the curtailed process that is available (which the Premier and Minister of Health has finally discovered) there was one Accounting Officer who said the process worked well. What seems to be the Problem is a Government that does not know what it is doing or doesn't care and loves to blame about what it can't do rather than do what it can. And before it blames EMS as it did with the Post Office debacle, I charge any right thinking Turks and Caicos Islander to look at the Budget and see what the Ministry gets and ask me how they can prioritise with nothing. Mr. Speaker, a do nothing Government who wished to blame their inability to perform on everything and everyone else.

Mr. Speaker, I am told that recruitment of expatriate workers under this administration may have doubled under the Interim Administration. We are grateful for the recent postings of Turks and Caicos Islanders but generally our people are still not being hired at the rate that they should be.

Years ago under the PDM Government, Private Sector could not place expatriates in their HR Department. **Years later, we have our own trained in this area more than before and even in TCIG HR Department responsible for hiring is managed by expatriates.** Before I get charged under the Constitution, Mr. Speaker, this is not discrimination, this is truth and fact. There are some critical post that should only be held by Turks and Caicos Islanders and we once we get there must be sure to understand our crucial role in nation building and advancement.

Mr. Speaker the Pay and Grading Reports continues to be placed on the shelves with no real effort to implement any of the report's recommendations. Mr. Speaker and this was finished since last year but this Government continues to ignore even a phased approach and before it says that the Payroll Tax of \$5.6m was to cover this, I say cut some travel and some fluff in other areas which we will point out during Committee.

Mr. Speaker I say again that *"This budget does not speak to succession planning as a matter of fact when we look at this budget all we can see is the eminent departure of Turks and Caicos Islanders from the service."* **Mr. Speaker efforts to remedy the pension and gratuity payment on retirement is not getting any attention for the changes made by the Interim Administration. Mr. Speaker that Motion was brought and carried, a working group was appointed or to be appointed and we hear no more.** Mr. Speaker Civil Servants who offered long years and decades of service to this country has found themselves fighting for this rights in the Courts. Nothing is being done to even help them. **Mr. Speaker if the Premier met with the Civil Service they will tell him this and they will also tell him phasing out pension and/or gratuity is unwelcomed. How can we retain our best minds? How can we attract our best minds? This Minister said in his Address that there was savings in expenditure due to the inability to attract professionals in the health sector. What attracts them? We are not serious. The Pay and regarding exercise only needs a serious and visionary government and I can tell you Mr. Speaker, the PDM has already proven itself with the Civil Service.**

Mr. Speaker, I said last year, Mr. Speaker *"that if in 2 years' time the upper echelons of the TCI civil service is still littered with overseas workers than the Premier and his cabinet would have failed the people of the Turks and Caicos Islands. We cannot continue to use our people to be elected to office and forget about them once we get into office. What about the plight of the civil service?"*

Mr. Speaker the Budget for me has been nothing more than a sham last year with an apparent game being played with moving monies around, shutting down projects a trend which will no doubt will continue as the Budget continues to be nearly 4 months later again. Accounting Officers have in PAC showed how negatively the short financial year will continue to hurt projects.

Mr. Speaker if the Premier met with the Civil Service, they will tell him that Legislations, Policies, Procedures, Unlawful interferences from people who ought not to be etc., are unnecessarily creating administrative bureaucracies in the provision of public services. They will tell him that they can never perform at their optimum with the lack of resources,

incentives and the feeling of being appreciation. Nonetheless Mr. Speaker there are many hard working and committed Civil Servants who knows that there role is crucial in nation building.

Mr. Speaker, civil servants have told me that reforms and over-regulations are demoralizing creativity, ambition and ingenuity. They are buckling and doing they can but they need a champion with executive power.

And once again Mr. Speaker this Budget seems to make no real tangible attempt to develop Civil Servants, as well as enable them to be adequately resourced to carry out their functions.

Mr. Speaker the Civil Service sets and carries out policies for the entire country not just for the Public Service but also for the Private Sector. The Civil Servants actions or inactions can ruin or build up a country. They need help Mr. Speaker and urgently. A happy and effective civil service encourages development as it makes it easier and more inviting to do business with Government.

PERFORMANCE OF THE GOVERNMENT

Mr. Speaker, a do nothing Government who wishes to blame their inability to perform on everything and everyone else.

Mr. Speaker, we currently have a constitution that is chiefly designed for a country of distrusted people, resulting from the "systemic corruption" stigma coming out of the Commission of Inquiry. We are not now, nor ever were a corrupt people and country. If anything, as in any other country, including the United States of America - the leader of the Free World; the United Kingdom - the leader of the Commonwealth; and Russia - the former leader of the communist bloc of nations, there are and always were corrupt and allege corrupt politicians.

Unlike in our situation, Mr. Speaker, where judgment was done not by us, in the aforementioned, as well as other countries, their own people address and mete out justice for their corruption. And unlike us, their whole populace do not come under suspicion as being corrupt, because of a few and as a result are collectively punished.

And that Mr. Speaker is why our country is saddled with a constitution and a system of governing, perhaps like no other, that is regressive instead of progressive and that stymies instead of stimulates investment and economic growth; and where not since before we got elected government in 1976, ultimate power resides firmly with an appointed

governor and that governor's appointees. The elected government cannot be trusted to run their country, which ostensibly they were elected to do.

Mr. Speaker it is no secret the PDM's position on the new Constitution and we remain to date the only Party that has a documented position on the Constitution. We are yet to hear the PNP or this Government's problems with any section of the Constitution save for the section where the Premier was personally involved in a matter against the Attorney General.

Mr. Speaker the Premier brought a Motion and the Opposition in this House joined him. We have agreed the members and have agreed a Terms of Reference and once again there is inaction on the part of the Premier and his Government. Mr. Speaker, you don't even hear the Government complain about the Constitution anymore and I am sure it is because they realize that the people of this country knew that they were not as handicapped as they were saying. Even their former leader and first Premier said openly in an Interview what the Opposition and PDM has been saying all along. The issues that affect our people do not need changes in the Constitution to fix. He said that there is much they can do that is not hindered by the Constitution.

Mr. Speaker it is a document wreacked of mistrust and just as insulting as the decision to vest the control of lands in this country in the Attorney General's Chambers. Mr. Speaker even though a local now holds that post, the insult remains and this Government seems okay with this and the Constitution.

The Government's Fiscal Strategy

As I have said already in this Honorable House, the Government's Strategy was void of information to support the numbers it threw around.

Mr. Speaker the Minister spoke about working together and this Opposition has tried on many occasions and against sometimes supporters, we took the mature stance and tried to work with the Government in the interest of us all.

My Speaker the Government's approach to meeting and overcoming the financial challenges we face is to tax. They have introduced so many new taxes that some businesses lost track and were negatively surprised. Mr. Speaker the Government's overt flirts with Independence and the initial unclear position on the relationship with Canada has sent some strange signals, the Government's indiscriminate introduction of taxes, the battle with VAT and the threat of Payroll creates an environment of uncertainty

for businesses and certainly an environment that investors may have a difficult in expanding existing businesses and starting new ventures. Their actions have hurt us, no doubt. I am happy to see fresh projects but dread the halt of projects because of the Government's approach and attitude in governance.

Mr. Speaker, because of the international financial downturn, mismanagement and other "*reckless decisions*" of our own making and that of our FCO overseers not doing their job of overseeing, we are experiencing serious challenges but heaping on tax after tax. I wish to again thank those who stood firm against the Payroll Tax which would have taken away our competitive edge and heaped more burden on our people who are already struggling. Mr. Speaker, tax after tax is not the solution to our problem. It is almost like cliché now, but it is still very true - you cannot tax your way out of a recession; or tax to solve your monetary problems. The very definition of a recession is that there is a shortage of revenue, and not just with the government, but with the economy as a whole, including the consumers. Where then is this money coming from to pay these new taxes Mr. Speaker?

One half the people would, or at least try to pay what they can afford, putting them in a more precarious financial situation; and the other half would become criminals because they are unable to pay. There will be business closures, unemployment will rise, there would be a decrease in NHIP and NIB contributions, and in customs and license fees, etc. That Mr. Chairman, is what over-taxation brings forth.

OUR STRATEGY

The answer to our problem Mr. Speaker is and will always be **new inward investment**. And also, especially for our local businesses, to reduce the cost of doing business, which would result in more money going into your business, resulting in turn, in more workers being hired. We must disabuse ourselves of the notion that taxes are the panacea for revenue shortfalls. Again, let us get back a well -structured and well managed government investment agency which was responsible for all development that has taken place since the beginning of elected government in our country.

Mr. Chairman, as we have previously stated, the People's Democratic Movement saw it as its duty and was committed to working with the government to do what we were all elected for which is to facilitate the provision of jobs, and to make available affordable healthcare, and education. When our people are employed, they are able to provide for themselves and their families, including housing and feeding them.

Inward investment is what is needed. It has gotten us where we are. TCInvest was closed down and all we continue to get from this Government is lip service. Mr. Speaker, I will not at all dispute that there were some difficulties with TCInvest, but did we have to throw out the baby with the bath water? Mr. Speaker, we had a structure in place to vet and facilitate new investment. That is there no more and we all know that time is of the essence when dealing with investment proposals. There are usually numerous other countries standing by ready and willing to accommodate that very same project. **Mr. Speaker, we are badly in need of a well - structured and staffed investment agency, able to distinguish bonafide investors, vet their proposals, and make trusted recommendations to the decision makers in a timely fashion.**

Mr. Speaker, to talk about fiscal strategy and only look at revenue generation would be to walk on one leg. This Government has displayed no interest in cutting expenditure and securing real savings or in convincingly going after the taxes on the street. Members of the Government went through great pains to call the PDM liars and to attempt to discredit me when I said Mr. Speaker that the monies outstanding were over \$20m. Since the publication of the Audit Report the Government is coming from all angles speaking to why the figure is wrong but are yet to say how much is really owed. **I put them on notice Mr. Speaker and encourage them to not bring a Resolution to write off anything without details.** Mr. Speaker, this is our position.

Interhealth Contract

Mr. Speaker we still feel that Interhealth Canada is still our budget killer and has to be addressed. And I think that the defeat of the income tax was attention getter that people are not minded to follow you when all the cards are not on the table. The bottom line is that we cannot afford that contract, which is obviously very flawed. Mr. Speaker this Government has paid nothing but lip service to cost of the Interhealth Canada and the care of our people.

Mr. Speaker I learnt from the one time Advisor and former Minister, Hon Royal Robinson during his Radio Show that over 2 years ago now, the payments to the Hospital should have moved from cost plus to capitation. This means in part Mr. Speaker that we should not be absorbing the cost of cash overruns and this exercise would put the risk with Interhealth. What Government with serious financial challenges who have already ran out of steps and solutions for our debt crisis would not ensure that this is done? I suspect Mr. Speaker that we may never really know the true story but Mr. Speaker, we smell a rat and that scent spreads over the decision to keep all Audits confidential. Mr. Speaker the people have a right to

know what is involved and we will fight tooth and nail to ensure the people know what is going on.

MR SPEAKER, INWARD INVESTMENT, COLLECTION OF ARREARS AND MONIES ON THE STREET AND THE HEALTHCARE CONTRACT ARE THE KEYS TO UNLOCKING OUR DOOR TO FINANCIAL STABILITY AND PROSPERITY. WE ARE CONVINCED MR SPEAKER.

Mr. Speaker last year the Minister in his Budget Address spoke to the creation of BLUE RIBBON COMMISSION and its role in identifying new revenue streams. He later promised a publication of the Report and then to debate. In its usual flip flop style the Government abandoned it, never published it and said that it was never meant to feed or dictate Government's Policy.

Mr. Speaker, this Government is not serious and more and more people realize that they have in fact bitten off more than they can chew and as such cannot handle the hand they have been dealt.

PNP's broad base tax versus the PDM's broad tax base approach

The Minister spoke of working together. In good faith, the Party's current leadership and economic advisor, former Leader of the Opposition and CPA Hon Floyd Seymour presented a detailed plan to the Government as an alternative.

During the Payroll Tax Debate, one member opined that the Government and the Opposition came together on Vat and that there is now no meeting of the minds. I beg to differ Mr. Speaker, we do agree that we need a steady stream of revenue.

We at least agree on three words but arranged differently. Herein lies the difference between a PNP and a PDM Government.

The PNP wants a broad base tax like the British suggest and which we believe is wrong and we the PDM want a broad tax base. What is the difference? The positioning of the base makes a huge difference.

Our concept of a broader tax base seeks to spread the cost of raising monies over a larger number of people other than the resident working people of 10 -12k people. We seek to incorporate visitors and ourselves and under our Plan the base incorporates hundreds of thousands more.

Mr. Speaker the Minister of Finance and I spoke about the possibility of having a Meeting to discuss their fiscal strategy. He had promised to speak to the Premier and get back to me. Needless to say for whatever reason it never happened. Eventually I was able to secure a Meeting with both of them when the PDM's Alternative Plan based on a broad tax base was presented.

PDM'S ALTERNATIVE

Our Vision Statement read as follows:

We envision a Turks and Caicos with an expanding entrepreneurial economy of high-wage, high-skilled jobs and real opportunity for advancement for Turks and Caicos islanders. To achieve this we seek to see Government

- Manage debt;
- Invest in infrastructure (human and physical);
- Promote inward investment into the Country; and
- Create an environment for the entrepreneurial spirit to thrive.

Goal and Objective

Our Goal in this presentation is to

1. Provide Government with an alternative to an onerous tax structure;
2. Increase Government revenues through increase economic activity;
3. Create an environment that fosters economic growth;
4. Provide government with an alternative debt and cash management system, while address its immediate debt concerns; and
5. Implement a structure based upon a broad tax base rather than a broad base tax

Prior Action Taken

- Accommodation tax increased from 11% to 12%;
- Communication tax increased from 10% to 11%
- Stamp Duty increased by 11% to 261%

- Increase in customs processing fee
- Implement a freight forwarding surcharge

Today's Situation

- US\$170M Bond due in 2016
- US\$70M Airport Debt due in 2018
- US\$125M Hospital Debt at \$20M per year over 25 yrs.
- Total Debt US\$350M
- US\$ 50M in sinking fund
- There is pressure to find funds to fund the Bond at Maturity in 2016

Available Option

In order to manage debt and other obligations you can either

- Increase revenues through increase taxation
- OR
- You can defer and reduce the obligations

\$1 in increase revenue has the same impact on the bottom line as a \$1 reduction or deferral of obligation

Available Option as outlined in the Government's Fiscal Strategy

- Increase Revenues to Repay Debt
 - Payroll Tax
 - Increase Business Licensing fees
 - Work Permit fee increases
 - Change in customs duties from FOB to CIF
 - Dormant Account Tax
- OR (our plan)
- Reorganize Debt Structure and Build Economy

WE RECOMMEND

- An amendment to the Airports Authority Ordinance to migrate departure tax to TCIG. We believe that all taxes from the TCIAA should come to the Government. This amendment to direct Government tax to the statutory body was made under the previous PNP Government and this resulted in Government not getting the full benefit of this tax.
- Ensure full collection of the full Passenger Head tax on cruise ship passengers are received. Again under the former PNP Administration \$6m was paid as an advance and for 10 years, the Grand Turk Cruise Center paid \$3 per head up to 300k passengers and \$9 was forgone. This Speaker was an apparent desperate move for cash that saw the Government again not full benefiting from this revenue stream.
- Securitizing both streams of revenue to Fund a new 15 year US\$200M Bond; and
- Repay Airport Debt, hospital debt and TCIG Bond

The PDM proposed the capture of two existing streams of revenue: seaport head tax and airport departure tax.

HOW THE RECOMMENDATION WORKS

- Departure tax will increase from \$29 to 35 dollar over 3 years at a rate of \$2 per year.
- Departure tax and Passenger head tax are ear marked to a Sinking fund via legislation
- Withdrawals from the sinking fund are restricted to Debt repayment and tourism promotion
- \$57,000,000 is allocation to retire Airport debt in 2014
- \$170,000,000 paid to retire bond in 2016
- \$109,000,000 allocated to retire Hospital Dept. in 2020
- \$200,000,000 allocated to retire new Bond in 2029
- \$2,500,000 allocated to tourism promotion in 2014 with annual increases of 5%

HOW RECOMMENDATION WORKS

- Gov. gets Departure Tax -Airport Authority retains all other fees and charges, including:
 - Security Charge
 - Airport User Fee
 - Airport Redevelopment Charge
 - Landing and Parking Fees
 - Dues, rents and other charges
 - Security recovery charge
 - Advertising income
 - Car park revenues
 - \$5 fee charged to the airlines for use of TCIAA equipment, kiosk and counters
 - Other Income
- We propose to take \$2.5M from the fund to spend on tourism promotion in year one and increase that amount by 5% each year moving forward
- If Penalty for early repayment of current bond is too high, interest of current bond will be paid from the fund for each of the next two years

OUR ASSUMPTIONS

- Departure tax numbers show an average increase in passenger numbers of 7% over the past 4 years
- We therefore project an average increase of 5% in passenger traffic (a more modest rate). This includes visitor and resident travelers. i.e. for every 20 travelers, 1 will make an extra trip in the ensuing year.
- Cruise Passenger arrivals have averaged 15% growth from 2006 to 2013. We estimate future growth at an average of 7%
- Airport Authority secured debt at 6% our assumption is that TCIG can secure debt at 5.5% (a more modest rate and worst case scenario)

- At March 31 Airport Authority Debt is expected to be 57M we assume that we can retire debt with penalties for 60M or less
- We anticipate being able to retire Hospital debt in 2020 for 109m or less
- We anticipate that in 2014 TCI can experience a minimum of 350,000 travelers (visitors and residents)
 - There were 345k travelers in 2012
- We anticipate 750,000 cruise ship passengers in 2014 that is consistent with 2013 arrivals

IMPACT OF RECOMMENDATIONS

- Debt within 5 times reserves/sinking fund each year except two when Hospital Debt is retired in 2020

ADVANTAGE OF RECOMMENDATIONS

- Debt is funded by two revenue streams not currently accessible by TCIB
 - Departure Tax currently collected by airports authority
 - \$9 of Passenger head tax not collected for the past 10 years
- Airport authority is still able to operate on remaining rev.
- Government eliminates the debt servicing concern and reduced the need for increase taxation
- Government can utilize revenue to improve infrastructure, provide social service and fund its agenda.
- At the end of 15 year program, all current debt will be paid there will be 47M in reserves/sinking fun and the two streams will increase Gov. rev. by \$50M per year.

Mr. Speaker when this was presented to the Minister and Premier, the Minister remarked that this is what he has been looking for and lamented that we had not met sooner. In fact Mr. Speaker, the Premier made the remark that he wished that he had costed this out in time for his Canada trip and I say no more.

Mr. Speaker in good faith, this Plan was presented. Hon Seymour was the lead person and he requested a few documents to assist as the Government did of course have more information than the Opposition but the initial reaction was more than positive. The Minister forwarded the Framework Document, the leaked FCO Memo and DFID's Operation Plan.

The breakdown came when the lead person requested the Financial Agreement of the Hospital Contract showing the penalty and the Carnival Head Tax Agreement made when the advance was done.

Mr. Speaker, something went wrong and these documents were not forwarded as the Minister seems very determined to keep both a secret. This is the people's business.

Mr. Speaker the country recently got its own credit rating and persons to know that this encompasses a lot, S & P not only looked at economics but also our social and political state. This rating has to be maintained.

Putting it in its proper context, the rating while placing us solidly in the Investment bracket, it also looks at the stability that being a UKOT brings and allows borrowing on as it were "good name" and does not require a security. Mr. Speaker this credit rating is relevant for unsecured debt and can achieve a better interest rate for it, but the PDM's Plan to securitise borrowings with steady streams of revenue will see an even better interest rate.

My Speaker the Premier and the Minister's venomous attack on the Plan causes us to wonder what happened between our Meeting and their announcement on the TV that the Plan cannot work.

We look at the Budget and look at the revenue proposed to be collected from Seaport Head Tax and we are truly concerned now and are wondering what is this Government hiding. The people need to know the true picture.

The two streams of revenue that we are not benefiting from is as a result of a poor decisions made by the former PNP Government and we are suffering for it.

THE CHALLENGE

We are challenged with high debt, poor infrastructure, Monster Healthcare cost, Low Growth and a Government that cannot figure out what it wants. However it is now receiving some of the Departure Tax this year, at least a portion of the Plan we presented made its way to this year's Budget in

that the Government is collecting some monies from Airports Authority. We are faced with a Government that ignores what is right before it.

GENERAL STATE OF TCI

Country Poverty Assessment

3.2 The Extent of Poverty in TCI in 2012

The level of poverty in TCI, notwithstanding the economic travails of the last few years, is lower than it was in 1999 as a result of the rapid expansion of the economic between 1999 and 2008. In 2012, around 22% of the population and 16% of households were living in poverty, compared to 26% and 18% in 1999 (Figure ES6). Poverty is likely to have decreased between 1999 and 2008, and then increased due to the economic crisis; it is not however possible to quantify these changes. On the other hand, the number of poor people in TCI in 2012 is much higher than it was due to the high level of population growth since 1999 – around 3,900 people were poor in 1999 compared with around 6,800 today. Although no households appear as indigent, a small proportion of the population is likely to be experiencing severe poverty as evidenced by other data, e.g. demand for social welfare, responses to questions on food security, and the level of food expenditures. 60% of households are currently having problems paying for at least one essential household expense: utilities (46%), food (29%), housing (26%), and transportation (23%). When the incidence of multiple difficulties is analysed, the proportion of households under moderate or severe financial stress ranges from 16-30%. These data imply that the economic crisis has affected a much greater proportion of the population than the statistically poor.

Mr. Speaker unemployment is at an all - time high, many businesses are closing and struggling, crime is escalating, social issues are becoming overwhelming and many of our people are living on or below poverty line.

Mr. Speaker this Government is an expensive experiment that is failing before us. They do not like the benefit of advice and also reports. This Government Mr. Speaker was given a golden opportunity by receiving the Country Poverty Assessment Report with its recommendations and a picture of what we all know existed. One would think Mr. Speaker that a caring Government would have used this as an opportunity to show how some of the Interim Government's policies was perhaps pushing our people into poverty. Mr. Speaker another opportunity to work together with the Opposition for the good of our people but the Government's first major announcement after its release was to introduce a new tax. Mr. Speaker that is what they did. Mr. Speaker I will speak to the comments made by the Minister earlier today later on in this response.

Mr. Speaker we have many social issues that are being ignored and are brewing. Men who should be contributing to NIB and NHIP are too often imprisoned and the highest age in the Prison is also the bracket for the fastest growing AIDs infections. Mr. Speaker juveniles need help. Our elderly and special needs need help, our youth and the unemployed needs help. The unemployed is tired of this Government say that they are not affected by taxes and are protected because they are unemployed. Our people want jobs. **Mr. Speaker if we continue to under fund social services and other Departments that serve in social services and focus on the economy alone, then we may get a rude awakening. Social issues left unchecked can shut down our country – a few unemployed to take to a life of crime or a few juveniles can negatively affect our tourism industry** and we see the huge increase in crime against tourists.

Crime and Policing

Mr. Speaker I turn to Crime and Policing.

Policing in the TCI

Safety and Security is what I will term as a critical necessity of any nation. We here in the TCI must feel and know that our law enforcement agencies and in particular the Police are above board and beyond reproach. Maintaining integrity in all that the police does must be the order of business. In recent years we have seen the constant inability of the head of the Force to lead us in a time such as this. In 2011 the than Commissioner of Police “Cop” a native of this country was placed on early retirement and replaced by the current Cop who has failed to meet the challenges and lead the Force to better days. After three plus years we are yet to see meaning changes that will ensure that our Police Service will be left better equip in 2015 to meet the emerging trends and challenges than it was able to do in 2011. We have constant reports of police misconduct that goes unchecked and allegations of cover ups depending on who is involved.

Despite our calls on HE to have the Cop recall before he becomes a national embarrassment, to date nothing has been done. The Premier has failed to join in this call and is on record as telling the CoP that he inherited the increase in crime and said he will call for a review to weed out all “ineffective” Police Officers. We have heard nothing since. We have months ago offered suggestions to the Cop in terms of a Crime and policing strategy after his failure to produce one in three years.

Believing that new vehicles alone can reduce crime and the fears of crime is absurdity. (Speak to Minister's taking credit for funding – cars were funded by National Forfeiture Fund and that Fund is not controlled by TCIG) To simply say that the Cop has tried to have town hall meetings is also another dull view in our opinion. The poor turn outs at the town hall meetings is a clear indication that the people of the TCI has lost all confidence in the Cop ability to lead the Force and is a direct message that he should be recalled. After three years on the job what can he offer?

On this back drop, we once again called on HE the government to remove the Cop and asked that the Government join us in this call. It makes little or no sense for the current Cop to in his final 9 months of a second contract to now because of constant demands from us, to try and present a partial strategy. This must be the job of a new Cop and as such who will have the opportunity to evaluate and make objective commendations to a Police Service Commission that we are proposing should be set up to assist our country better in overseeing the administrative functions of our Police Service and who will make recommendations to HE for Policing in the TCI.

We believe that the time has come and past for a Police Service Commission "PSC" in the TCI that will hold the Cop accountable for his or her administrative functions and such commission will make recommendations to HE the governor. The people who the Police serves needs to have an administrative function in holding them accountable. The Cop will remain operationally independent and is so guided by the Police ordinance. The essential amendments will be recommended for inclusion in the Police Ordinance to support the introduction of the "PSC".

In so doing it will becoming mandatory for the Cop to present a three to five years Policing strategy to the Service Commission, governor and the Government with key goals and objections such as:-

Crime Reduction Plan

Training Needs Plan

Community Policing Plan

Boarder Protection Plan

Cadet, Youth and Schools Policing initiatives / Police Youth Clubs

New advancements in Policing

Corporate issues to name a few.

Annually the Cop will be required to present the commission and HE a report of the outcome of his or her annual policing plan and new plans for the upcoming period in line with the overall strategy. Areas of the reporting will be define as agreed by the Cop, PSC, HE and the Government. The Cop will then be question by the Commission on his or her report and the same will be made available to the public for review. The current Cop has shown this country that Policing must be monitored on a regular basis.

It will be mandatory that the Cop hold at least 2 open town hall meetings in the family islands annually and 4 in the islands of Grand Turk and Providenciales where he or she and his or her management team will hear firsthand from the communities their concerns and suggestions on policing.

Sports in Policing.

We believe that sports presents golden opportunities to shape the lives of our young people and is a means of bridging the gap between the police and public. We therefore feel that as part of any policing strategy that sports must be inculcated. Each community policing areas should be equipped to develop sporting teams to participate in two (2) sporting meets annually. In additions communities will decide on regular meets during the year. We are advancing ideas because **the most important tool that the Police can have are people in communities.**

ON DOCUMENTS

We are aware of an excellent Community Policing concept "C Bop" or Community Beat Officers Program that we believe would make a tremendous difference in Community Policing in the TCI. Despite the fact that the Cop has this listed as target 1.8 in his a document called "Annual Policing Plan Goals and Objectives April 2013 to March 2014" which apparently is a secret document or one that was suddenly produced, we as a community are yet to see any tangible progress made in this area. In fact a number of our suggested areas are listed in this document which has appeared out of the wood works.

We are now in July and are yet to see a policing plan for 2014- 2015. Another indication that the Cop is out of touch and lacks the know - how and ability. Our country and people have suffered for too long and we need to ensure that whilst we look at possible external shocks, we need to look internally as well. And to continue with business as usual for the next 9 months will only make matters worse, we are convinced. To now realize that a promotion policy is needed is a next indication that things are not well. After promoting many in the views of staff without merit for over three (3) years to talk about a policy now is very sad for the organization. This is information gathered from documents laid on this Table.

It may seem as If we are beating up the Cop, however we are concerned about our country and we are bringing out the facts as they are. He has failed in his job and the longer he stays more failures will come to light. We are therefore suggesting that he does the honorable thing and demit office.

ELECTED GOVERNMENT

Mr. Speaker today marks our second Budget since return to a normal Budget Process. It feels good Mr. Speaker to be a part of the return to some form of normalcy but this normalcy forced me to rename this response “more of the same”: same commitments with no money and same projects...same same Mr. Speaker. Same, same Mr. Speaker, same same.

Mr. Speaker in the rigorous Debate to state the time and the attempts to limit the Opposition’s response, we see and get a feeling from the Government that there is nothing in this Debate to talk about much like last year. Imagine Ministers last year racing through to say something about their Ministries and being cut off but maybe there is truly nothing to report as we feel strongly and see no evidence. We will never Mr. Speaker set out to waste the limited resources of this country. Mr. Speaker, the Premier does a good job of that in his premature house closures. He will certainly go down in history as the Premier of Sine Die. Mr. Speaker I listened closely to the Budget Address and tried to match up the promises made in the Throne Speech with this Budget and its Budget Address.

Mr. Speaker I know that the people are again going to be disappointed because they are waiting to hear what is in this Budget and there are many who are told

that they will be hired once the Budget passes and I hope that this is true and that our people will be hired. Mr. Speaker, the Government needs to come clean and tell the people the truth. **There is again nothing to jump up and down about in this Budget. Mr. Speaker we are reaping the end result of bad administration and we are tied to a huge debt repayment, a monster health care bill and the Government needs to tell the people the truth.**

BUDGET ADDRESS

THE BUDGET

PAGE 2.1

REVENUES

Issues

There is a revenue shortfall of 7M. The government collected 7M less than what they had budgeted for last year.

Cause of Shortfall

1. This shows that they were budgeting 8.1M from the police but only got 95,400
 - a. The collected 102,600 in 12/13 but budgeted 8.1M in 13/14
 - b. Look at the Police budget to see where they were expecting that 8.1M to come from
 - c. Future years budgets age back around the 100k mark consistent with prior performance. (Did they give up on budgets source from last year? or was it that they were just inflating numbers to make their budget look good?)

2. The Ministry of Finance collected 3.3M less than budget in 13/14
 - a. Have we gotten to the point of diminishing returns?
 - b. Even though they had a shortfall in 13/14 they are still projecting a 22.5M increase in revenues for 14/15
 - c. Where are the new taxes coming from? (have to look at the detail budget to see)

STATUTORY CHARGES

Issues

Income dropping from 6.4 last year to 1.3 this year.

Perhaps the Minister can advised during Committee the reason.

DEBT SERVICING

1. In 2013/14 they spent 300k more on debt servicing than they budgeted
 - a. What was the cause of the extra 300k? Bad budgeting or penalty for late payment?

2. In 2014/15 they expect to spend 3M less on debt servicing than they did in 2013/14
 - a. What debt is falling off the books?
 - b. Why the reduction in debt service cost?

3. There is a 4.219 M above the debt servicing that was a cash inflow with the heading Bonds and other inflows. What was that Mr. Speaker and I trust that the Minister will explain?

Chart 1 - REVENUE, GRANTS AND OTHER RECEPITS

Mr. Speaker, this chart shows where the money is coming from by Ministry

1. The Ministry of Finance largely raises its money from taxes
2. The attorney general's chambers largely raises its money from the prosecuting criminal activity
3. The Ministry of Boarder control largely raises money from work permits and other immigration and labour related fees
4. The Government is therefore raising 95% of its revenues from :
 - a. Taxes
 - b. Crime; and
 - c. Importing labour

CHART 2 – EXPENDITURE BEFORE CAPITAL CONTRIBUTIONS

TAKE AWAY POINT

According to the Premier and the PNP the bad Interhealth Canada deal was supposed to improve health care, and the NHIP was supposed to fund health care thus reducing the Government's contributions to health care.

All we see is escalating cost and this year a third of what we spend will be spent on health care as Ministry of Health represents 29.8% of total budget.

PAGE 2.2**Labour**

1. The fact that Hotel and restaurant tax, Import Duties and Other Customs duties, exceeded expectations and collected more than budgeted shows that there was some growth in the past year
2. The fact that the government budgets for the revenues from those taxes to increase in 2014/15 shows a confidence in continued growth
3. However the fact that they project an increase in work permit fees shows that they expect imported labour to be the main beneficiaries of that growth.
 - a. With construction workers, hotels workers and other labourers out of jobs for years, the government collected 2.6M more from work permits than they were estimating last year and is budgeting for increase in work permit revenues again this year. They do not see jobs as being for Turks and Caicos Islanders.
 - b. Work permits represent almost 10% of their budget, so you can see why they are doing nothing to create job opportunities for our people

Communication Tax

The Government is budgeting for communication tax to double.

Why it that Mr. Speaker? We are wondering what is happening that will cause the tax to double?

Stamp Duty on Land Transactions

Every revenue head that exceeded budget last year, the Government increased this year. All except 1, Stamp duty on Land Transactions.

Land sales and inward investment is a sensitive area. Investors big and small get “spooked” easily and turned off by uncertainty.

Is the government planning to continue the pattern of uncertainty that it has had over the past 20 month of which the Minister this morning says he stands proud.

Is that why TCIG is projecting a down turn in land sales and resultant stamp duty?

Criminal Recovery Actions

Last year they budgeted 8M for criminal recovery. This year when they trials are set to begin they budget 0. Not even a projection. Mr. Speaker we are aware of the cost of SIPT related expenses which we will address during the Committee Stage.

Are they planning to interfere with the court proceedings to subvert the cause of justice?

NHIB and Hospital Charges

Mr. Speaker, still looking at Pg. 2.2, we note that 19% of expenditure is going directly to NHIP and the Hospital. 1 one of every 5 dollars the government spends is going to the bad deal struck by the current premier and the PNP. When you add in the staff and other cost required to administer this albatross that takes up another 10% of the budget and 1 in every 3 dollars is spend on the bad PNP hospital deal.

Mr. Speaker we are suffering as a result of bad decisions and the Minister will quickly say that he inherited this, while some over on the other side had a part to play in creating this but if only to show some remorse, the Government should address this issues but they have no interest Mr. Speaker especially in the Interhealth Contract.

Chart 3

Shows revenues by sector and we will address that in Committee.

CHART 4

NHIP/HOSPITAL

After Staff Cost, the hospital contract is the biggest expenditure for the government.

Based upon this chat, the government will spend almost 4 times as much on the hospital contract as they contribute towards capital projects

That's why you can't get new schools in Provo, or better roads in Grand Turk or a completed airport in South Caicos or a proper causeway between Middle and North, because they spend almost 4 times as much on the hospital contract (22 %) as they contribute to capital projects (6%).

Mr. Speaker we will speak to the details of the Budget in the Committee of Supply.

Mr. Speaker I too share the concern of the Appropriations Committee:

"The Committee was concerned on the 1M\$ allocation for the grant of Belonger Status and was of the view that the Ministry should have provided some kind of data or analysis on which the Government has assumed that 1M\$ would be realized in this area once the proposed new Immigration Bill is passed in HOA.

The Committee was concerned that the information given by the Permanent Secretary, Office of the Premier with respect to the proposed opening of the London office which did not have a costs attached nor full details of its administrative operation. Despite the information given that this would be shared by Tourist Board there was no evidence to support same.

The Committee was also concerned that the 500K allocation in the Tourist Board budget for "Other Marketing Initiatives" did not provide details as a notation in the Budget as to the level of contribution from the partners i.e. hotels/agencies etc."

We too await these answers.

CONCLUSION

Mr. Speaker we hear flowery statements from this Government and I ask them to take these flowery speeches to the people of this country and see if they feel this positive outlook. **The Government must make every effort to address the needs of our people and this Budget is not doing so.**

Because the Government is doing so bad and our people are hurting so bad, the people of this country continue to try to get the Opposition to use executive powers that it doesn't have. The failure to even speak to the Opposition by this Government and their very own actions should demonstrate to the people that despite the words at the opening of the Minister's Address, the Government wants to go this alone. He quoted we do see the distress and how we lay in waste, and how the gates are burned down and how the wall needs rebuilding and we note his call on page 2 to work together but in true flip flop style, the attack was not far behind and the blame game began.

My role on the Interim Administration

Mr. Speaker I wish to thank the Premier for his unwavering support on my remaining in the Interim Government because as a friend, it meant a lot to have his support. Mr. Speaker, the Minister intentionally tried to mislead our people by his statements the PDM claim the Interim Government as a creature of ours. Whilst the Minister acknowledges the

good thing of receiving the “rescue package” he calls it from the British, he seems really confused in his feelings and I understand why. Mr. Speaker both Interim Governments in our short Ministerial Government’s history has always been the direct result of actions of his Party and as such has become a PNP legacy, not a creature of the PDM. I for one thank them for the help that stabilized this country and I for one did not run and hide and shut my mouth while person’s too often were taking advantage of us and we see this Government and members silent even now while people are taking advantage of our people in the Public Service and in the private sector. Some of our qualified TC Islanders are being victimized and marginalized for standing up themselves. The Labour Department must be restructured and revamped for effective representation. This Government continues to sit by while our people are being denied jobs and promotions in the public and private sector. But then again the PDM has always been the champion of the rights of our workers so perhaps you don’t know how.

There are things to celebrate, there are projects due to start and we must ensure our people are employed. But this Government is so proud of mediocrity. Yes there has been some strides but this sketchy, flip flop, uncertain, confusing style of this Government has cost us more. Much more could be done and I do not care how many documents this Government presents are stumbling blocks, they are failing our people. **Whilst we hope for a continued rebound of the economy and a growth in the economy that our people can benefit from, I admonish this Government to watch its approach as too many of their actions can negatively impact the growth and stagnate our economy.**

Mr. Speaker I wish to spend a little time explaining the role of the Opposition.

THE ROLE OF THE OPPOSITION

Mr. Speaker I must use this forum to remind some and explain to others what the role of the Opposition is.

The Opposition perhaps should be called something else Mr. Speaker because it leads too many to believe that we are merely in the business of opposing. Mr. Speaker we have through our Press Statement and Official Party Positions made it our business to ensure that people are able to read our positions so that they are clear on where we stand on issues and we always provide reasoning and recommendations which shows that our positions are well

thought out. Mr. Speaker we have already developed this standard for ourselves and you will note that we are the only Party thus far to have a written Position released publicly on VAT and also to the CARICOM Mission. Mr. Speaker this Opposition does not oppose for opposing sake and when we do, Mr. Speaker, we put out our reasons. When we present our Positions Mr. Speaker, we do so from as informed a position as we are able to be in.

Whilst we recognize the numbers that divide us in this House are narrow at best, we believe it said that we must work together. Mr. Speaker in this last year on a Talk Show, we heard the Premier say that we have to wait our turn to govern. We got the message loud and clear in the venomous and unprofessional behavior of this Government to our Plan issued in good faith.

The people of this country should now be convinced as well that this Government is not prepared to hear from anyone, apparently despises consultation and certainly does not plan on working with the Opposition. We are clear this side of the House. Mr. Speaker we are therefore putting the Government on notice that things have changed and we see our efforts as a waste of your time.

Again I wish to make it clear, the Opposition has its clear role and there are people who do not understand what the role of the Opposition is. We are built in oversight. The role of the Leader of the Opposition is constitutional. The Opposition must probe, must investigate, must hold the Government accountability through the Committees are given leadership of and through the use of questions. Mr. Speaker the role of the opposition is greater today.

Mr. Speaker, the Opposition is custodians of the laws of this Land, just as we expect the Government to be. As Law makers we cannot be law breakers and we must be guided by Codes and Standards that we set for ourselves by entering Public Service. Mr. Speaker, I remind us all that your Office, on our becoming elected to Office were provided with three documents attached to our Welcome Letter from the Clerk: the Code of Conduct for Persons in Public Office, Standing Orders for the House of Assembly and the Country's Constitution. We have had cause to address publicly certain concerns as it related to a blatant disregard for policies, laws and systems.

CODE OF CONDUCT

We are grateful that this year, you Mr. Speaker and the Premier seem to have had a change of heart as it relates to the Code and have agreed now that it does apply to the House of Assembly.

“Holders of public office should make decisions based primarily upon the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends. Mr. Speaker we have had a blatant example of that in this House during the passage of a Bill and we wait to see the consequences.

Ministers and the House of Assembly

58. Significant announcements of Government policy should be made in the first instance, in the House of Assembly. Mr. Speaker we continue to hear these policy announcements in the Media and we wait today to hear from the Minister of Border Control the immigrations changes that are welcomed by the TCHTA in its letter on Payroll Tax. Mr. Speaker we will like for the Minister to tell us what is this new line item called sale of TCI Status \$1m budgeted to be made?

The Code also gives a portion on Transparency

Transparency

62. Ministers should be as open as possible with the House of Assembly and its committees about the actions and decisions they take, and the reasons behind them, refusing to provide information only when disclosure would not be in the public interest.

63. Ministers should similarly require public officers who give evidence before the House of Assembly and its Committees to be as helpful as possible in providing accurate, truthful and full information.

64. Ministers should also be as open and transparent as possible in their public statements about the actions and decisions they take, and the reasons behind them. They should also require public officers from their ministry who comment in public on the workings of government to be as helpful as possible in providing accurate, truthful and full information.

FREEDOM OF INFORMATION

Mr. Speaker we suspect that there is information that has been uncovered after the PDM’s Alternative Plan was presented and information that he does not want to share.

During the meeting Mr. Speaker the Minister has indicated that there is a prepayment penalty for the hospital financing arrangement, we requested the financial terms of the hospital loan, he never responded. I suspect that there is something in the terms of that loan that he does not want to share.

In the meeting with the Minister and Premier, the MOF also alluded to the fact that the agreement that was signed with carnival will continue to give Carnival the first few hundred thousand passengers free into the future. We asked for the details so that we could understand the revenue that would come to TCIG in the future. That too appears to be information that he does not want us to know.

There is a clear need for freedom of information

Mr. Speaker, this is why I will continue to call for the Freedom of Information Ordinance which is in the country's Constitution.

I quote this from my Contribution last year and I say again:

Freedom of information

129.

Subject to this Constitution, an Ordinance shall provide for a right of access to information held by public authorities, for the conditions for the exercise of that right, and for restrictions and exceptions to that right in the interests of international relations, the security of the Islands or the United Kingdom, public safety, public order, public morality or the rights or interests of individuals.

This is a very important provision that was fought for very hard in the constitutional consultations. The provision will go a long way in providing the tools to prevent undemocratic processes from persisting in the TCI.

I do not think that there has been any progress in drafting an Ordinance, but I may be wrong on that.

The UK and some others are likely to attempt to limit the scope of requests. However there are some key areas that should be considered if the Ordinance is going to be effective.

The backdrop of law in the OT's was considered carefully by the Lords and Appeal Court in the series of Bancoult cases. The cases related to the power of the UK to exercise its rights over the OT's.

One of the important decisions was that there is no administrative decision, in relation to the OT's, that is not open to review by the courts. This means that in

order for there to be judicial review of administrative decisions, it must be possible to know the details of any decision and who made that decision. Without this information it restricts the right to have the decision reviewed.

The UK has made a formal commitment to transparency and we have a "legitimate expectation" that these practices will not happen. Freedom of information will give us some help in policing our democratic rights in this respect.

The other issue is that we have a right to know how our money is being spent by government. This is the basis of the complex procedures for appropriation. *However, there are numerous statutory bodies and corporations that have been tardy or plainly refused to provide details of how public money is being spent. The Interhealth situation is a prime example of this. We await the Audit of NHIP and the entire arrangement. In the UK statutory bodies and corporations that predominantly provide public services from public funds have an obligation to provide details of how the money is being spent. The basis of law is not different in the TCI. We are therefore being deprived of our right to know how public money is being spent in substantial areas of public spending. Freedom of information should provide a path to request this information without resorting to complex court proceeding.*

Mr. Speaker we are committed to seeing this Law come into force.

THE CONSTITUTION

Mr. Speaker we are committed to ensuring that the laws are upheld and that the Country's Constitution is upheld.

We maintain that the Government is not in full compliance with the provisions of the Constitution on the function of the Appropriations Committee.

Mr. Speaker again time was a factor and we see the Report laid today the same time as the Budget and therefore no changes could be made if the Government were so inclined. Again I believe that time will work against the Committee and also the Government who can benefit greatly from some of the recommendations as soon as possible.

Therefore Mr. Speaker I must question and reject the advice offered by the former Hon Attorney General when he stated that this is directory and not

mandatory. I will never accept that provisions in the Constitution are there for just being there.

Mr. Speaker the Government is also not in compliance with the Framework Document which sets out that any changes to the FSPS also has a process through the House of Assembly. Mr. Speaker this Government is really being reckless with the Laws of this land.

Mr. Speaker I cannot accept this and the Opposition cannot accept this. We hold the provisions of the Constitution to be sacred and to have provisions placed to the side is not in keeping with the spirit of good governance, the spirit of the Constitution or the highest Law of the land.

THE STANDING ORDERS FOR THE HOUSE OF ASSEMBLY

Which Mr. Speaker brings us to the matter of Standing Orders. Mr. Speaker, the House has always benefited from oversight Committees that are able to scrutinize Government's Policy and current year spending through the Administration and Expenditure Committee. The 2006 Constitution like previous Constitutions included an Administration Committee which was chaired by a member of the Opposition. The Committee was provided for in the current Standing Orders which recognized it as a Standing Committee of the Constitution and likewise the Expenditure Committee. The Opposition has been placed in a position where to date we are unable to scrutinize Government's Policies as the Constitution does not speak to an Administration Committee or an Expenditure Committee but the new Standing Orders to be approved by this House and in our possession since November 2012 provides for Committees that will scrutinize the operation of each major Ministry and as such it follows that the function of these two Committees are combined in the sole Committees for major Ministries. Needless to say, **the failure of the passage of these Standing Orders hampers the oversight role of the Opposition and hence the use of questions which are grossly inadequate and ought not to be the only tool that the Opposition has to provide one of its basic oversight function. Last year we called on the Government, the Speaker and the Governor who has final approval publically to give the Opposition the tools it needs to carry out its oversight role in its entirety. We have written to the Speaker on many occasions without the benefit of a response.**

Mr. Speaker, as the Party to receive the popular vote, and to also have the largest margins of victory and then to also have the winners of the most national seats, we have set a high standard for ourselves. Mr. Speaker we are

accountable to the people and the people of these Islands sent us here in greater voter numbers and we must represent our people and our country's future.

To this end Mr. Speaker, we will not fall asleep on the job nor abandon our role of oversight.

TIME TO SERVE AND MEAN IT

Mr. Speaker we have picked a difficult time to serve and many of us seem to behave like dogs (not meant for disrespect) but dogs was the best example I could think of. Dogs would bark at car tires while they are spinning and when it stops, they stop look around and wonder what to do next.

Mr. Speaker too many of us in this House have no idea of what to do. No disrespect but it is truth. This country demands more visionary and deliberate governance. One that will put our people back to work and one that presents opportunities for its youth, opportunities for all and protection and provision for our vulnerable. One that will leave no Island behind.

We welcome new projects but it must be more than revenue alone for Government. Our people need jobs and we must ensure that Turks and Caicos Islanders are truly first.

We need to search within ourselves and ask God to help us as we serve Him through service to our people.

May He give this Government hearts of compassion in all decisions.

And may God bless us all and may He continue to bless these Turks and Caicos Islands.