



Delivered By THE HON SHARLENE L
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Border Control

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House of Assembly, NJS Francis Building
Grand Turk, Turks and Caicos Islands

RESPONSE TO BUDGET ADDRESS 2015

*"TCI – The Call For Strong, Visionary,
People Centered Executive Leadership"*

BUDGET ADDRESS 2015
Delivered By The Hon Sharlene L Cartwright Robinson
Leader of the Opposition

SALUTATIONS

Mr Speaker, Colleagues, Strangers in the Gallery, Listeners and Viewers, Good Afternoon.

OPENING REMARKS

I give God thanks for this opportunity and for these Islands in which we live. Though we seem to have become a nation of complainers, God continues to be faithful in his continued blessings and the showering on us of His mercy and grace. I am one Mr Speaker who learned to appreciate these Islands more after I lived overseas in three different countries during my Studies and then again in my travels abroad. We quickly learn why so many are flocking to these Islands to vacation and then to live, not wanting to leave. We are truly a paradise – God has blessed us with physical beauty and freedoms and we must remember it is a continuing obligation and responsibility on our part to protect what we have not just for the here and now but for the generations to come, who Mr Speaker can begin to craft a class act suit on behalf of one generation against another for reckless handling of their future. Mr Speaker I trust sooner rather than later we will intentionally preserve our heritage, our values, and our very existence and that we will purposely within whatever facet of society we are in act individually and collectively for that one important goal – that is the preservation of these Turks and Caicos Islands.

Today Mr Speaker marks my third Budget Response and I have chosen as this year's theme for my response "A Call For Strong, Visionary, People – Centered Executive Leadership". Mr Speaker I wish to state at the outset again that Leaders of the Opposition in not too distant times, were allowed overnight to respond thereby allowing them to incorporate in their responses, the Budget Address together with the Budget Estimates. Mr Speaker, I am disappointed that we have regressed to this current position.

Nonetheless Mr Speaker as a good Brownie and Girl Guide, we were taught to "Always Be Prepared" and so I am.

EXPRESSIONS OF THANKS and OPENING REMARKS

1

"TCI – The Call For Strong, Visionary, People - Centered Executive Leadership"

Response to Budget Address 2015 delivered by Hon Sharlene Cartwright Robinson

Mr Speaker I join with the Minister in registering thanks to those who assisted in the preparation of this Budget but wish to again thank those Civil Servants whose hard work is manifested in the production of this Budget. I say a special thank you to the Hon Minister of Finance and his Team for their efforts. I wish to also thank that those partners – regional and international – who continue to aid in the development of these Islands and I mention the UK Government through the OT Unit of Department for International Development and the OTs Department of the Foreign and Commonwealth Office (FCO), the Caribbean Development Bank (CDB) and the European Union (EU). But Mr Speaker, the Minister forgot one important thing to thank and that is the year 2016 which now seems to now help him and his Government to see some of the people’s priorities and so we welcome all the good stuff that is listed in his response. And I ask my honorable colleagues on this side of the house to let’s give the year 2016, a round of applause.

Other Opening Remarks

Mr Speaker the Minister never ceases to amaze me and I wish to quote words from his Budget Address to show again the people of this country what the Opposition has had to endure trying to work with this Government. Too often the Minister calls for unity and then attack right after. Today is no different

Pg 27 -28 “This is so critical to the future successes and suitability of the Turks and Caicos, Mr Speaker, that it requires cross party political unity at all levels of our society. Silly, dissenting voices, motivated by misguided short term political gain could – intentionally or unintentionally – damage their country’s future prospects for years to come.”

As a young Turks and Caicos Islander I am insulted by this and this is the trend of him and his Government. He expects no challenge, no input and has chalked up person’s genuine contributions to “*silly, dissenting voices, motivated by misguided short term political gain*”. I remain disappointed as a young Turks and Caicos Islander in his continued comments along these lines. Mr Speaker despite these statements, we will share our opinions on this Budget presented here today.

Notes Of Congratulations

At the outset, I pause Mr Speaker to congratulate the Government on its credit rating and also on the PEFA in which the TCI achieved a number of A’s compared to 0 in 2011.

These achievements cannot be watered down and must be celebrated for what it is – a national achievement. We must also not become complacent and must seek to improve and implement recommendations from whatever source for improvements in our financial management systems. It is my hope that we maintain these achievements, improve where we are still weak and as the Chair of the PAC, I say it on behalf of my colleagues that it is our hope for cleaner Audits – fewer risks identified and the imposition of recommendations.

That Mr Speaker is a sign of maturity and we will continue to share our contributions in a mature way.

The Importance of Good Governance

If never appreciated before, Mr Speaker, we can better appreciate the tenets of good governance.

The systems in this country are strong and I remind us that our systems are not corrupt but people corrupt systems. We have the checks and balances from our Constitution down and we need to perform in every way in accordance with the laws. These laws seek to ensure protections yes but transparency and accountability. If we are all held into account and be transparent in our dealings to ensure that we are lining up, we will eventually see the Turks and Caicos Islands that we need and not necessarily what some of us want. But I wish to remind some of us that there is benefit to a transparent nation who believes in accountability.

TRANSPARENCY: CRITICAL AND NECESSARY IN GOOD GOVERNANCE

Welcomes new Administration and Expenditure Committee

To this end Mr Speaker after numerous addresses here in the Hon House and in this country for the past 2 yrs, I welcome the new Committees – two important Committees that will review Government’s expenditure during the current year through the Expenditure Committee and the Administration Committee that will review the Policy behind Government’s decisions. As Chair of the Administration Committee, I can assure you that we will hold the Government into account in this area of policy making.

Caution fighting systems but calls for fight against Crown Land Management Structure and Law

We cannot be seen to be fighting systems that are in place that are aiding us in our near new lease on country life and we as individuals must perform whatever function these systems have called us to perform.

That does not mean that there are not systems that must be challenged in the best interest of these Islands and ones in particular that may be called improvement in transparency but that are really hindrances to progress, impractical and not in the best interest of our people.

Mr Speaker I digress only to this point that concerns me and concerns members of my Team greatly. Whilst we through various medium challenged the practicality of the Procurement Ordinance, we have been told through an oversight Committee by Senior Government Managers that it was working and so we abandon that call. But what we will not abandon is the call for a comprehensive review of the Crown Land Ordinance and the return of lands to an elected representative. I say Mr Speaker it is an insult and I can say that the process before the period of alleged abuses worked and Mr Speaker we cannot understand why the Premier and his Government have not yet brought this important legislation. We hear whispers of issues and concerns and no movement. While land must be managed and properly monitored and distributed, we have lost control from the top to the bottom. A people must control their resources and must use their resources to truly empower their people and improve their state in life whether through home ownership (building credit, and personal achievement) to the empowerment of business individuals. We need to stop playing with this issue and deal with it. The Opposition stands ready on this issue.

The 2011 Constitution

I continue on transparency Mr Speaker, and the presence of improved transparency and oversight set out in the Constitution and speak to the Pre Budget process and the new format.

In fact Mr Speaker the matter of following sections sections 109 and 115 of the Constitution have been raised in this Hon House so many times before that I have begun to get weary of saying it. Mr Speaker whilst the Government is hoping to pass the Budget before March 31st, 2015, which will be history for this Government, we must again point out the constitutional breaches in this process.

General principles

I turn our attention to section 109 of the Constitution.

109.—(1) The macro-economic and fiscal policies of the Government shall be formulated and conducted for the sustained long term prosperity of the people of the Islands.

(2) Public funds shall be managed according to established principles of value for money, affordability and regularity and the interests of long term financial stability.

(3) The Government shall, after public consultation in the Islands, formulate a framework document stating its principles of public financial management which sets—

- (a) limits on levels of public debt relative to public revenue;
- (b) limits on debt service costs as a proportion of total public expenditure; and
- (c) levels of reserves relative to public expenditure.

(4) Any framework document formulated under subsection (3) must be agreed by the House of Assembly and a Secretary of State in draft before it is adopted by the Government; and the Government shall publish the document in the *Gazette* as soon as possible after its adoption.

Mr Speaker, we got a new FSPS again laid on the table of this Hon House without announcement on the Agenda and it therefore followed that there was no Debate let alone public consultation. We cannot imagine what other document, it could be speaking to. We will speak to its contents in a few minutes.

And then section 115 provides -

Financial year estimates

115.—(1) At least six weeks before the beginning of each financial year the Minister of Finance shall cause to be prepared and laid before the House of Assembly—

(a) estimates of revenues and expenditure of the Government for that financial year; and

(b) a document setting out targets for revenue and expenditure for the next three financial years, and an assessment of performance against the debt sustainability limits as set out in the framework document published under

section 109(4) which is for the time being in effect, and the House shall publish those estimates and that document without delay.

(2) Before the House of Assembly considers the estimates laid before it under subsection (1)(a), the Appropriations Committee shall scrutinise those estimates and make recommendations in relation to them to the House in sufficient time for an Appropriation Bill to be passed by the House before the beginning of the financial year in question.

Again Mr Speaker, the time constraints in which the Appropriations Committee worked and having to produce a Report for this House have to have been in the mind of the crafters of this Constitution. The Committee has had to rush through Hearings and present a report. The process allowed for recommendations to be made in time so changes can be made and again, we are having the Report laid the same day as the Debate, though Mr Speaker I acknowledge receipt of the report a few days ago which has resulted in a new Budget Booklet being laid only today in this House. I am told Mr Speaker that the allocations have not been affected but it shows the importance of giving the Committee time to work. 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 again publicly 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. And again Mr Speaker, I await a correction as whether the framework document talked about in the Constitution in section 109 is the FSPS or something else and regardless to which document it is said to be, a debate has never taken place in this Hon House on any fiscal strategy that mirrors the guidelines in section 109.

I believe we were once told that the FSPS is a 3 yr document, that has definitely changed this year, so we wondering when were the consultations and debate on these changes. However despite our previous comment, the TCIG PFM Framework document section 11 headed *Transparency* states:

Transparency

11. The FSPS will be updated and published annually. The budget that is presented for the forthcoming fiscal year will be consistent with the FSPS.

Mr Speaker, the need to publish annually, I believe sets the stage for an annual public consultation and debate.

Mr Speaker, the Constitution is a critical document and ought never to be sidelined for whatever reason whether you feel it justifiable or not. The fact is, the law is the law until you seek to amend it and secure those changes.

DISCUSSIONS ON THE BUDGET

This year's Budget unlike the previous years has two significant differences. We are happy to see the reintroduction to performance based Budgets which was abandoned some time ago. This feature allows for greater transparency and shows the performance of critical Departments and Ministries and also allows for these Departments to be held into account against their plans and actual outcomes.

A thorough review of this Budget left me with more questions than answers in many sections. The numbers simply did not add up. If this is going to remain a staple in the Budget, we must keep and present more accurate statistics.

Secondly, this Budget unlike the previous 2 Budgets brought (2013/14 and 2014/15) includes the highest projected amount of spending since this Government has come to Office:

Expenditure and Revenue Trends

In 2013/2014, TCIG spent some \$182,988, 601 while making \$208,728,197.

In 2014/2015 it spent \$175,615,520 while projected revenue is \$244,758,977

This year the Government intends to spend \$202,577, 561 while projecting its revenue at \$236,909,079 down some \$7.8m while expenditure will go up some \$26.9m. You are projected to make less but will spend more.

This year marks lower revenue than the previous year by some \$8m and higher spending by over its highest spending year \$191,464,960 in 2014/2015 and recalling the level of unbudgeted spending for Ebola preparations, Cristobal, State Funeral etc.

Worthy of mention also is that spending was higher under the Interim Administration while this Government's Budgets have been characterized by high budgeted spending and serious under expenditure. In this year soon to end alone, this Government budgeted to spend \$187,624,309, then revised this

figure in the year to \$191,464,960 and year end projected actual spending is \$175,615,520. They have had large savings or under spending in staff and operating costs.

They will say that its strategy worked and that they have stabilized the economy but Mr Speaker, this sort of economics voids of logic. Here is what their strategy did mr Speaker, it created an uncertain climate for businesses and residents, it increased the cost of living and the cost of doing business causing a black market, closure, frustration and confusion, it made many already poor persons poorer. I give you an example, in this Hon House, the Government said that 400 businesses surrendered licenses but did they check to see how many loss jobs and income and thereby adding to unemployment?

TCIG's Strategy Questioned

In the climate created by the Government we saw flip flopping on taxes that frustrated the Business environment. We welcome the removal of the Tax on Freight and Insurance which did its damage to some while in place and which we fought against on this side of the House knowing the effect of the cost of doing business and the already high costs of importation. We also welcome the reduction of Business License and will assure the people of these Islands an in depth analysis comparing the various rates of payments under this Government. The latest Government movement reminds me of savvy business men who in preparation for a sale marks up the goods and then mark them down and this is what this Government did. In some cases more than tripled licenses and then marked them down. Nonetheless Mr Speaker, we are grateful on behalf of the people. But Mr Speaker we are also concerned about the reasons and policies that led the Government to do this and we intend to follow this issue carefully. There are rumors Mr Speaker and perhaps in winding up, the ministry of finance can address them by denying them or clarifying the issue if there is in fact any element of truth. Mr Speaker it is widely discussed that the Government stands to receive monies if it were to remove barriers to doing business and also to borders. While this can create a better working environment, we wish to know how far it has and is it prepared to go. We heard specifically that a few million dollars were not collected due to the halt of the Immigration Bill. I invite the MOF or the Premier to address these concerns that are shared by many residents in this country. But more specifically, we need to know what is the obligation if any on the part of TCIG in relation to the ED10 Funding? Mr Speaker, the people have a right to know.

Sacrifices on the altar of strategy – Underspending Strategy Revealed

Mr Speaker I believe though that their unwritten strategy though was to ignore everything and focus on the sinking fund and the debt entirely. This therefore Mr Speaker saw many critical needs sacrificed on the altar of strategy. Many critical positions are not filled and positions that can affect TCIG's revenue, health, image etc.

Mr Speaker, I note a serious trend in this year's Budget now ending and we look now to Ministries with the highest savings and under spending -

The Ministry of Health \$2.2m

The Ministry of Education has had one of the highest underspending \$1.3m

The Ministry of Finance \$1.5m

The Ministry of Home Affairs \$802,503

Infrastructure, Housing and Planning \$480,462

Imagine Tourism, Heritage etc underspent by some \$323,491

The Governor's Office \$187k

The Premier's Office \$125, 676

Police – The Police even had an underspending of just under \$100k

AG less than \$100k

Imagine even Youth and Sports had savings and huge underspending. In the area of Sports we see a near 50% savings or underspending.

Worthy of note Mr Speaker is that the total expenditure before capital contribution was projected at \$187, 624, 309 with a revised estimate of \$191, 464,960 and forecast outturn now of \$175,615,520 which is lower than what was budgeted for in the beginning.

Therefore Mr Speaker, the total underspending for the past year or year about to end is \$15,849,440. Something is wrong in our eyes Mr Speaker or maybe something is right in the eyes of the Government.

Mr Speaker the Government's strategy still not clear to us but evidenced by increased sporadic taxes, flip flopping on taxes and an obvious intentional underspending. If this underspending was not intentional, then Mr Speaker then the entire budgeting process needs to be seriously looked at. Why I say that Mr Speaker is because there are still many critical issues, projects and staffing requirements to be addressed, delivered and met. What is so sad that while many sat on savings, many departments struggled to meet bare minimum.

Critical issues and projects left outstanding –

Contributions to the Development Fund projected at \$14,484,873, realized only \$8,951,942. This contribution to assist with the delivery of projects was underspent by some near \$6m.

Yet we have so many critical capital projects unaddressed and equally so many critical items in operating costs – Increased funding at tertiary levels, staffing in enforcement and policing of immigration, revenue collection and business laws, garbage collection and the environment generally.

HOME AFFAIRS – Juvenile Facility, decline in and increased number of applications for welfare assistance by those barely getting by,

HEALTHCARE - Ambulances, HRA, Clinic Stocks of medicines and medical supplies

YOUTH AND SPORTS Programs to name a few.

Better Performing Revenues

Mr Speaker we have looked at historic expenditure, revenue and capital spending trends and projects left undone. I now turn our attention to revenues. Looking now to revenues, Mr Speaker, we see where there have been some surprises in revenues:

Tourism

Tourism remains our number one driver in this economy and the promises remain the same year after the year and that is to diversify the economy and also the tourism product. We are grateful for the Symposium this year and for the commissioned study. We hope to soon have sight of the findings and recommendations. Nonetheless after our Shadow Minister and Rep for Five Cays has repeatedly called for it sanctioning our support, we must say that it

was a step in the right direction. We therefore applaud the Premier for hosting the Symposium and for the commissioning of the Study.

We remain concerned though Mr Speaker in our growing reliance on this Industry that we have seen in recent times already first hand, how fickle it can be.

This past year, we budgeted some \$43.1m and realized some \$51.3m - Nearly \$10m over what was expected having only received some \$40m the year before. This year we are now budgeting some \$54m or some 23% of the revenue.

Firstly, Mr Speaker, we have shared our opinion on these numbers and while we are thrilled for the windfall, we must carefully plan our future on this Industry and be even more careful to put so many eggs in one basket. It is perhaps best Mr Speaker to under budget in revenue than to budget as we have. Mr Speaker while there are many who are questioning the accuracy of the figures and the 37% increase in arrivals in one year, we choose at this point to celebrate. But Mr Speaker I note with interest the Premier's bold statement that this increase is due largely to the increased and strategic marketing of his government and not the inclement weather. But we also note the Director of Tourism's statement where he among the reasons for the increase and first of all listed was the inclement weather. Mr Speaker we maintain that our destination is currently fashionable, the place to visit – which has not happened since this government came to power. This happened over many years, and in fact as far back as early 2000, we were described as the new Hollywood retreat in a high-end British travel publication.

And what cannot be ignored, are the promotional efforts of the hoteliers and other stakeholders. I do believe that whether we like Beaches or not, no one has done more to put us on the map than anyone else; it is the only one that puts us on national TV, and with some real slick ads, and that matters a whole lot. Truth be told Mr Speaker is that we cannot afford to do it. But Mr Speaker, I do not recall seeing any Tourist Board Ads anywhere lately and in Committee, we will seek the additional changes in advertising policies and advertising programs since the Ewing led Administration came to power, including copies of their Ads and other marketing tools. Mr Speaker this in no way is meant to undermine the efforts of the Tourist Board Staff who work hard with what they have and who have not enjoyed any increase in their marketing budget save for the monies passed through their accounts for Beaches.

Mr Speaker we called on the Government and were pleased when it said that it was increasing its efforts in Brazil and Europe but we see from statistics released that the results from their remain stagnant and dismal and while I do

expect a huge increase from these areas right away, it will be interesting to hear the strategies and change in policy to address these areas and the reason for the dismal figures.

Mr Speaker, we appear to be on a roll as it were with the US, and no matter who is in power, I believe that the Americans will come as long as there are no real and immediate threats to security that upset travel or make Americans fearful of travelling. Mr Speaker, I am aware that there are three big travel shows in Europe – ITB, the biggest, in Berlin; BIT, in Milan, Italy; and WTM the second biggest, in London. We attend them all, or at least have representatives there, yet the numbers are still not good. Not much better than when we, the PDM government, convinced British to commence service to our destination and it still our only UK/EU scheduled service, despite the money spent to extend the runway to accommodate wide-bodied aircraft. I am looking forward Mr Speaker to increased traffic in this area. Some believe Mr Speaker that a parallel taxiway would have been money better spent but that again is the noise of the Industry and the Government itself has chosen its path. Again, Mr Speaker if the Government’s efforts were so successful in the US, why have they not borne fruit in Europe? I will like to have a clearer understanding of this as we seek to rely so heavily on tourism moving forward. I wish to caution the Government to be careful in its budgetary approach with such a heavy reliance on tourism and then also to be sure that it is its policies alone and not just some freak of nature as it would have us to believe that is yielding the increases.

One can not ignore Mr Speaker the increase in cruise passenger arrivals and the need to protect and preserve this Industry. In this past year, we have seen a sharp decline in our port rating with no real alarm on the ground in terms of aggressive action to correct some of the issues especially the issue of trash and the general uncleanliness of the Island, and the poor infrastructure. We maintain that this is indeed a gold mine and we believe that this Government is not taking any advantage of the people that come to our shore – a market that comes to us. We maintain that there should be monies expended in this area to convert cruise passengers to land tourists.

Customs and Related Fees (Another high revenue earner)

Mr Speaker, we appreciate and celebrate the growth as mentioned by the Minister in his Address but we also note the comments under the Customs Department attributing its high revenue to improved compliance and policing. We commend the Customs Department for this. This proves Mr Speaker, the position advanced by the Opposition all along of the importance of compliance and what it can yield.

Work Permits and Other Immigration Fees (A high revenue earner)

The Ministry of Border Control while enjoying an expenditure of only 3.3% of the Budget brings in about 10% in revenue, following only Tourism related and Customs related taxes and fees.

Mr Speaker, most of the streams in this Ministry exceeded revenue estimates. Labour Clearances budgeted at \$500k yielded some \$741,582 at \$100 each. While Work Permits and Residency fees budgeted at \$13.9m but yielded some \$17.2m.

Something is wrong here when work permits are now a high revenue stream and is being used to balance the Budget.

Surplus – Challenged

But Mr Speaker we see where there was a projected surplus of some \$13,344,011 revised downward mid-year from \$18,840,441 but the actual projected outturn is \$61,448,042. The contribution from the surplus to the Sinking Fund projected at \$13,443,000 for this year is projected to be \$48,262,980.

Mr Speaker, something is wrong. This Government boasts of such a huge surplus and says that its strategy works which we see to be intentional underspending and taxes.

But we need not sit an Economics Class to see what is wrong with this picture neither do we have to sit in here with figures or this information in front of us to speak to how real is this surplus and to say whether this Government's strategy is working in the long term best interests of these Islands.

You see Mr Speaker, this surplus was achieved, I am certain not from real savings but from the complete disregard for real needs for its citizenry whether the ordinary resident or the public servant.

Roads

Residents of these Islands can look at the broke down roads despite the high government fuel tax at the pump and see that there is a problem. Not every road can be fixed they will say but more can be placed in critical roads and this

Government promised that roads frequented by tourists will be repaired. Mr Speaker I wish this were TV Court where we could adjourn and leave these Chambers and let every member drive on the Lighthouse Road here in Grand Turk and which can see hundreds of thousands a year. Yet Mr Speaker in the two last meetings, the Ministers assured the people of Grand Turk that the Infrastructure Fund would fix this road. During the Throne Speech, an update was conspicuously absent and when raised by myself Mr Speaker, the MOF said that the repairs will be subject to a consultancy. He said a consultancy that will look at drainage and the like. Mr Speaker I lived on that road for 8 years and I never once saw where there was a drainage problem. It is a high road on a hill, I am no engineer but I think it has natural drainage where the water rolls down the ridge. Mr Speaker this is the kinds of things that this Government believes that it can say and get away with. Mr Speaker I publicly call on the Government to show us where this road can be repaired from this Fund and to show the terms of reference for this consultancy with the justification for the drainage aspect especially. Mr Speaker, the Government must be more forthcoming and honest with the people of Grand Turk on this issue and the many issues facing the nation's capital that is now a real center for tourism yielding much revenue.

Buildings

Not only broken down roads, but we see broken down buildings.

The civil servant will tell you the state of some of the Offices in which they are being asked to work and produce from and yet we boast of a surplus. We saw the Post Office and the Education Department and the Garage here in Provo but there are many, many more. Mr Speaker I am not sure if South Caicos has a Welfare Office as yet. Yet we boast of a surplus.

Healthcare Provisions

Mr Speaker, the ordinary citizen in these Islands will tell you there are no resources in their clinics or proper ambulances (Mr Speaker, it is said in Provo that you have to take 2 Ambulances to make 1) or proper functioning emergency vehicles and equipment. Yet we boast of a surplus. Grand Turk will tell you that they had to endure the non collection of garbage for over 6 weeks because of budgeting restrictions and limited resources in an Island that is leading in tourism arrivals and yes Mr Speaker we have seen photos posted by tourists of heaps of garbage and litter on the street.

Mr Speaker we were fortunate when there was the chick v and dengue outbreak as there was litter and garbage all around while neighbouring countries saw even Police out and about cleaning. Mr Speaker, we must be grateful to God that he protected us. We awaited the call from the elected Office to mobilise the people but we got none. Mr Speaker, much more should have been done and even though the threat is not as great, we expect greater leadership in matters where the public's awareness, partnership and action is the greatest combatant tool.

We again salute those public servants who endured criticisms from the highest office and who worked tirelessly with the limited resources given to rid this Island of trash on an ongoing basis and the waters following Cristobal and in areas of environmental upkeep throughout this year of limited resources and big surplus.

Mr Speaker there appears to be no more conversation of the critical Health Regulatory Agency. Mr Speaker, we are often at a loss for words on the way this Government has been behaving in this health system and we have now come to expect nothing. We have seen from a local newspaper that at least the Clinical Audit is complete and welcomed by TCI Hospitals. My mind then wonders Mr Speaker, what then are these contents? I wait to see Mr Speaker the handling of this Audit and hopefully the Financial Audits itself are also completed. We can not overstate the importance of these Audits.

Resources in Government

Still looking Mr Speaker at the state of affairs against this era of great surplus.

The civil servant will tell you that if they had designated vehicles, critical staff in post, paper, ink and yes toilet tissue, they can produce more. That is the reality. In one Island, a crucial Government revenue department has to hike a ride having only an unreliable personal car to go to do their job, on another, the responsibilities are vast in geography and there are 2 members of staff to cover 2 Islands and 2 Cays. Mr Speaker, critical departments have no access to photocopiers, fax services, ink and paper. Yet we boast of a surplus.

Education

And while we agree with partnering in education, we have come to a place in this new surplus era, where our school children had to carry \$5 towards the

printing of their exams. I expect a rebuttal on this issue and all I am saying is that it happens in an age now where some parents do not have \$5 to give their children for lunch and too often are keeping their children home on those days. We assume that all parents are not responsible and needs to prioritise. Well truth be told, some have nothing to prioritise with. These are real issues and because \$5 sound small to us, there are perhaps persons listening who do not have it right now. This is no exaggeration Mr Speaker. It is painfully true.

We see Mr Speaker, broken down roads and buildings. Madam Minister of GSS, I am sorry to say that you have inherited a broken down Ministry with no money – broke.

Youth

The Youth of this country will be the future and our future is in our hands. We hear much talk over and over and while we congratulate the efforts of this small Department, it is marred with high budgeting (though lower than it should be) and low spending. The Shadow Minister will show this trend over the years and will show that even the Interim Government invested more in scholarships than this high surplus Government. She will show you this from your Budget.

Mr Speaker, we will show the people of these Islands where critical spending did not happen and where monies are being transferred to the Sinking Fund at a high health, social, infrastructure and development costs.

Sports

I say congrats to Team Carifta and wish them well. We really need to do more with our athletes. We welcome the injection of capital into the improvement of those Islands that have sporting facilities. Sports Mr Speaker fell prey to serious underspending but increased revenue. Last year Mr Speaker I understood that one of the Basketball Leagues in Provo has to cut the season short because it could not afford the rental rate of Government's facility. While we appreciate that the Sports Center needs to be maintained, there are some items that we ought to be satisfied with the social good. I am told that some 80 boys are involved in the League and this represents 80 young men and women off of the street engaging in positive activities.

Huge underspending while critical needs are not being met. Does that equal a government of the people or for the people?

Mr Speaker, this Budget still does not show that this Government sees the faces of the people it serves. Quite often Governments will say that Oppositions can say anything because they do not sit in the governing chair but Mr Speaker we continue to offer constructive criticism highlighting areas in which we believe there should be greater attention and spending.

Whilst we see the greatest areas of spending this year to be Education and Health, we are concerned with the areas of spending.

We are so happy that we are now able through the Administration Committee to understand the reasoning behind some of these Government decisions.

2015/16 Figures

We now turn our attention to the larger expenditure items and the ministries/departments that saw huge increases.

Larger Expenditure

Personnel Emoluments

This has reached the highest level in recent years but at lower staffing levels. We are grateful for the regrading exercise and are happy that the Government has now made funding available. Having looked at the savings trend over the years and the revenue and contributions to the sinking fund, the Government can not seriously expect persons to believe the new line that “we could not spend monies we did not have”. We will address that a little later. We understand that this was not a raise and was simply a regrading. We regret that a raise could not be done at this time and not privy to know before or understand that not all would receive an increase, we believe that the Government with this knowledge should have considered a phased approach and allow a raise for all civil servants. The cost of living continues to go up while salaries are remaining the same. We will soon realise and I hope sooner than later that raises and minimum wage can only truly be properly addressed when we address the root cause of many lower salaries and that is the absence of specialist skills or trade.

Healthcare

Mr Speaker I turn my attention to healthcare. This remains a huge portion of our Budget ranking at 28.6% and imagine the comments made by the minister today which drew applause from his colleagues. The Minister boasted of his Government's budgeting some \$300k for the establishment of an oversight committee for Interhealth or TCI Hospitals – millions of dollars and years later. We cannot ignore critical oversight systems. While we speak to healthcare generally only to say that more attention must be paid to prevention. I am concerned at the number of critical cases sent overseas lately and even now. It is my understanding that many are lifestyle diseases. A more aggressive and properly funded PHC Unit can do so much more. The point is either we spend more now, or we spend it later. I hope that we will elect to spend now. We will hear our Shadow Minister on this area and will raise further points in Committee.

Education enjoys some 13.5% of the Budget and sees a considerable increase in scholarships – not the \$1m as touted, an increased subvention to the Community College and the Long Bay Hills High School Campus. In this climate Government must pay more than lip service to education especially at tertiary levels. This Government's continuous focus on limited academic numbers and total disregard for the need for a full Trade School baffles this nation especially when the labour force dictates the need for greater vocational training. I applaud the effort to introduce the controversial CVQ Program but what about those who are out of School and need a trade or skill. We can not continue to raise minimum wage , we must get to the root and give our people a real skill and trade. The Government's approach to the split of the High School has caused a great stir and we will wait to understand through Committee how the policy that led to the decision. There is need for serious attention to the repair of schools that are suffering in many ways from wear and tear. I heard the statement the other day that the disrepair didn't just start but we must remind the people of this country that there has been a poor record of maintenance for the past 12 years and even in this year's Budget maintenance is set at 3% of the expenditure.

Mr Speaker we believe that the College has an important role to play in the nation's development and any monies given it by TCIG should be treated as seed money with the thinking that visionary, sensible, well thought out government policies can allow it to earn its keep and carry its own weight. Yet this Government has refused to create policies that will see greater use of our

College. I will never forget Mr Speaker the words of the Minister in an earlier Budget session here she stated that the Government must pull up its socks or it will revert to a Government Department. I believe she knows by now that it can not revert to what it never was but I am not convinced that she understands that it is still her Government's policies that allow the College to pull up its socks and carry itself financially. Mr Speaker I shared this idea before in this House and elsewhere and maintain that persons working in the Hospitality Industry should be made to undergo a short TCI History Course which I assure you can only enhance the visitor's experience. Persons living and working here should be able to answer basic questions about TCI. Mr Speaker I have real evidence to support this position. I assisted two tourists with a map on the side of the road after driving around for over an hour looking for the Lighthouse which is in Grand Turk. This no doubt was frustrating for the tourists who were told to keep going in that particular direction. This is unacceptable and if we are going to rely on tourism so heavily we must protect our Industry and our tourism product.

Policing

Mr Speaker can convey whatever message the user wants them to. I note that the Minister did not speak to the increase for the Police Budget but simply said that it was about 9 or so percent of expenditure and that Mr Speaker is because the Budget saw less than \$100k increase persons some 0.01%, not sure but nothing to talk about. And while public servants will not be able to obtain all that it wants but there are some areas where spending is priority and we stand with the Government in giving the Police what it needs to keep these Islands safe not just for tourists but for all residents.

Mr Speaker policing has never been more critical and I hope the figures released recently is the beginning of a downward trend of crime though we note with concern the upward trend for the first three months. I am concerned Mr Speaker about a critical area that has seen again a spike and that if not taken in hand, can negatively affect the main revenue earner. Mr Speaker, we must address this and provide whatever is necessary to deliver in this area. I hope Mr Speaker that this year we will see an analysis of these figures and that we will determine whether it is as a result of efforts made. I must however call on the people of this country to become active participants in crime fighting and then to plead with the Police to make an effort to build the strained relationship with the people of these Islands. I encourage us all in this House

as constituency leaders to assist in the formation of neighbourhood watches. I live in Leeward and aside from the feral dog problems, we have seen a spate of robberies and we were fearful to leave our homes. I believe that we must become our brother's keeper and I believe in the importance of neighbourhood watch committees. I am disappointed though Mr Speaker that there is no budget this year for a permanent purpose built Headquarters for the Police in Provo but we are grateful for the monies to carry out the much needed work to Police Stations around the Islands. There must be greater care of our Officers.

Finance

Finance which yields some 78.3% and represents 7.6% of our expenditure. Without an understanding of what is transpiring on the ground, it may appear to be a good picture but we maintain monies must be invested in the policing of Government's taxes. Tax evaders are so free in this climate, many are not hiding and can be seen along the road selling openly. Many are without licenses and do not pay any contribution to the social or health coverage schemes. It is so unfair when some set up in front of those businesses that operate within the law and are sometimes struggling because they had to meet the legal obligations of NHIP and NIB. We live in a period of high surplus and there are too illegal stores in too many houses but why focus on this alone? There can very well be well established businesses that may also be in breach. While we understand that the Government's strategy of high taxes and a difficult climate to do business, we cannot support nor attempt to justify a growing black market. No Mr Speaker, I have no figures but I have eyes to see. There must be greater effort in the policing of all of Government's taxes. We are confident that there remains much hidden revenue, loss of revenue at our ports and in businesses. The statement by the Customs Department in the Budget Booklet attributed the high performance to greater policing and compliance. That Mr Speaker is all the Opposition PDM has been saying since day one. Improve compliance and see what we can yield.

Mr Speaker Border control brings in about 10% of the revenue and enjoys a meagre 3.3% of the Government's expenditure. Marred by low wages, poor reputation and the need to address resources, there must be greater attention paid to this area and greater policing in this area especially in illegal employment. Mr Speaker I note with interest the only revenue stream to underperform and poorly is temporary work permits budgeted at \$800k and realizing some \$243k. Mr Speaker could it be that the noise in the market is

right and that the trend is to now bring in workers as guests as the market says? We need to look at this area and see whether performs are in fact cheating the system and evading taxes. We need to beef up compliance in this area.

FSPS

Mr Speaker, the FSPS, a tool for transparency, is critical to understanding the policies, plans but also the minds of the Government of the day.

The FSPS made several statements generally about our economy and which are indeed worthy of highlighting giving the background upon which we begin to address the details of the Budget.

It says that the Government's strategic focus this year will be:

- • Environmental protection
- Environmental cleanliness
- Marketing and promotion of the family islands as tourist destinations
- Cultural and heritage celebration
- Youth development
- Government information service
- Tertiary education – scholarship allocation
- Monitoring the existing PPP with InterHealth Canada

We will in Committee see how this Budget allocations lines up with or advances the achievement of these Budget goals.

TCIG vs People

This then has become a battle as it were between the people's priorities and that of the Government.

The Government has not done the best job in balancing its priorities with that of the people's needs.

The Budget then begs the questions, whose priorities are these?

The position then becomes abundantly clear that the Government in preparing its budget has relegated it to simply figures without faces.

Its surplus shows that they have not been able to balance the people's needs and their ambitious goal. We see a broke down country running on scanty resources with poor infrastructure and high unemployment and other serious social issues stemming from this and we hear a boasting.

Mr Speaker I have an honestly genuine fear that despite this Government's intention to keep the Sinking Fund even after making the balloon payment and with projected levels of \$12m annually going forward for the next few years, this country will continue to decline socially, infrastructurally and in terms of people's development. Then Mr Speaker my fear is real as it relates to what then can be our state when we see a government governing at optimum, though with strategic plans. When a government begins to respond to the true needs of the people and what is needed to grow the economy and progress its people. I sincerely believe that we are far away from knowing this true costs and even though Rome can never be built in a day, the loss years between this Government and the Interim Government is creating a serious urgent need that will carry a heavy price tag.

Mr Speaker in all of this boasting, we are yet to see a new Development initiated and progressing under this Government. Inward Investment is critical and we are yet to see the Government's Policy or fruits of any labour. Mr Speaker if it weren't for the ground breaking of new high school campus in Provo, this Government would not have seen any ground breakings. This must change mr Speaker and the best way to grow this economy must be and will always remain through new and fresh inward investment.

It is interesting the statement made on unemployment today by the Minister of Finance who said that the information on which he is relying is unreliable. I have tempted since them to take this on but it is neither here nor there. Truth be told Mr Speaker, neither of us stand to lose or gain. We know that there is unemployment and that something must be done and we need to address it urgently whether through the management of work permits, an aggressive investment plan that will grow the economy and create jobs or through policies in the Civil Service that ensure that our people are able to occupy certain posts. We are grateful Mr Speaker for the training increase for the civil service and I know that the 3rd All Island Elected member welcomes this even if it were a dollar more.

Need For Comprehensive Audit

Mr Speaker in this complete Financial Statement, it would be useful to hear of the amount of monies owed outside of structured debt but in reimbursements or monies held in trust and also a statement of arrears.

There is therefore then a need for a comprehensive audit of TCIG's accounts in that type detail.

Who Government owes and who owes Government? Useful in this audit would be a totaling and logging of government's assets which our Shadow Minister for GSS is on record for calling for and which will aid in a repairs plan.

This is the type of governance that we expect in 2015 and one that is necessary. As leaders in this country, we too have a responsibility to the people of this country and we need to hold its government into account as well and so Mr Speaker in doing so, we wish to call the Government out on a few statements that it said affected its representation of its people.

Constitution

Mr Speaker, we kept hearing earlier today, "we are putting our money where our mouth is". Let me remind us all what the Government's mouth has been saying over the years.

Mr Speaker this Government spent the greater part of its two years saying that the Constitution prevented them from doing some of what they are now doing. Mr Speaker it is important to note that there has been no change in the Constitution and we are not sure whether the resolution has in fact reached the Governor's Office let alone the UK. So Mr Speaker we see an abandonment of that reason or excuse. Mr Speaker then we heard that the Financial Framework and PFM Legislation and the Procurement Ordinance were stumbling blocks – again no change and we see some things about to happen. Mr Speaker, the Government must realise that the people of this country are wiser than they give them credit for. The latest reason now given by the Government is that it could not spend money it didn't have. This one is new and surfaced during the Opening of the House. The Opposition would not encourage you the Government to do that either. We say as we sincerely believe Mr Speaker that this is obviously an Elections Budget and Mr Speaker we stand by it.

THE STATE OF THE TURKS AND CAICOS ISLANDS

This Budget is brought at a time when the people are feeling rejected, disappointed in its Government and above all confused. They are feeling a sense of hopelessness and there are too many toying with these emotions forgetting the danger of a hopeless man or woman.

Truth be told, TCI is not the pretty picture that this Government would have you to believe it is.

People are struggling to make it, youth are feeling a sense of disillusionment like never before, the juvenile is forgotten and left alone to fend for himself, the prisoner does his time and applies for a job and gets the impression that he will forever be paying his debt to society as he is turned away and most times do not receive even a call, the elderly and special needs are the fading voice that is crying out to be remembered, our special needs children can be educated but are being ignored by the mainstream system, the young men are in trouble and are on a path to extinction if we do not intervene.

We maintain that we believe that unemployment is at critical levels. Having seen no new projects or new jobs to put a dent in the numbers and watching the number of children coming out of school locally and overseas with no placement, watching the growing numbers of beggars about and seeing myself the system at its best and worst, there is no other conclusion to draw.

Cost of living is high – fuel is on the climb, electricity is the highest perhaps in this region, Provo Stevedoring appears to be the other sacred cow only to healthcare, social issues are being downplayed and the Standard of Living Assessment Report has been shelved.

The Different Views

The Civil Service's Picture

Many of the Civil Servants are generally happy with the pay and regarding exercise and I hope that those with real cases are heard. But Mr Speaker, they do not want to continue to work under some of the worst conditions ever.

The Private Sector's Picture

The Private Sector wants a reliable and efficient business climate. They need a Government that will speak to them and hear some of their concerns. And Mr Speaker work permits are not the only issue that they are concerned with.

I again congratulate the YCA – Young Corporate Alliance and again congratulate Lerone Ingham of Konk Apparel, Ricardo of R & S Funeral Home, Wellington Williams who makes some of the best souvenirs, and Moly Cadet who has already produced and directed a local movie. I say congrats to these

young men who have against all odds launched out into business. But Mr Speaker I must decry the fact that a young business man who had to export his dreams to NY due to the absence of a manufacturing policy that would have given him a better environment to do business. I must also mention the young man who wanted nothing more for the past few years than to start his own horse and carriage business and who has been frustrated by the Department of Agriculture. We must be seen to be facilitators and not stumbling blocks.

Our people Mr Speaker want to be employers and not just employees and these sad stories brings to my mind, the important question of who's country is this?

Let me remind us even though we may not have the money, monies are in this country.

Who then owns TCI?

Who is running TCI?

And who are we building TCI for?

CONCLUSION

We continue to face risks that this Government is hell bent on ignoring

- quality, affordable, healthcare to all
- the threat of illegal migrants which is also a national security issue
- the threat of illegal businesses
- the high cost of doing business and the high cost of living
- the exploitation and advantage taking of workers on the job
- the lack of basic resources in all of our Islands
- the enforcement of critical policies and laws
- help for our elderly, special needs, prisoners, juveniles and youth

While we celebrate our surplus, we are losing TCI and when we wake up, I pray it is not too late. We are losing time and are on a ticking time bomb. No exaggeration Mr Speaker. Celebrate your surplus but do not stop there, hear the people around the Islands. I say thank God for 2016 and may God bless these Turks and Caicos Islands.