



**Government of the Republic of Trinidad and Tobago**

**MINISTRY OF FINANCE**

Talking Points of

**THE HONOURABLE DAVENDRANATH TANCOO, MP**

**MINISTER OF FINANCE**

***FINANCE (SUPPLEMENTARY APPROPRIATION)  
BILL 2025 & MID-YEAR REVIEW 2025***

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**House of Representatives**

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## **Introduction:**

On 28<sup>th</sup> April 2025, Trinidad and Tobago voted to reject the PNM, and hit the rest button, giving themselves a chance to breathe,

- a chance at a future for themselves and their family, for an improvement in their standard of living,
- to get a decent job with a living wage,
- a chance for their children to have educational opportunity so that they could lift themselves out of poverty,
- a chance to live in a country where those who break the law face the consequences,

- where they can go to the hospital knowing that they will get access to health care including lifesaving surgeries and medication,
- where local and foreign businesses and investors are willing to invest their money knowing that they were operating in a safe and enabling investment climate,
- a country where government is transparent and people friendly.

And we, on this side will not let them down.

This situation is dire Mr. Speaker, but we all knew that.

The signs are obvious.

The fact that the vast majority of the middle class has been thrown into poverty, that over 60,000 businesses have been struck off the register of companies, and an additional 6,000 -thousands of businesses many of them Micro Small and Medium Sized Businesses having been forced to close – crippling the domestic small investment class.

The purchasing power of the vast majority of citizens has been slashed in some cases by as much as half as a compromised by skyrocketing food, essential healthcare, transport and bank charges.

All of Trinidad already knew that.

What none of us could ever have ascertained however was just how bad it had become.

But they knew.

They knew exactly what they were doing.

They deliberately underfunded critical expenditures, planning all along to return after the election and demand more money - a shameless ploy to manipulate public finances for political gain.

But the game is over.

The people have spoken.

And now, this Government must clean up the mess left behind by their reckless mismanagement.

Today we are here to pay bills caused by the PNM administration but for which they failed to make provision to settle.

Mr. Speaker, this is not just fiscal irresponsibility - it is economic sabotage.

And the nation will not forget who put us in this dangerous position.

In the Standing Finance Committee meeting two days ago, this country heard the former Minister of Finance shamelessly confess that the economy was in a bad way.

Mr. Speaker for 10 budgets this is the same man who budget after budget boasted that the country had stabilized, was doing well, that he had transformed the economy even while he had direct full and intimate knowledge that he was destroying the structural, social, fiscal and financial health of this country.



Listen to some of the deception:

- 2023 Tenacity and stability in the face of Global Challenges **UNTRUE**
- 2024 Building Capacity for Diversification and Growth **UNTRUE** and last year
- 2025 Steadfast and Resolute – forging pathways to prosperity. **UNTRUE**

Mr. Speaker, the Member for Diego Martin North East knew the facts then and he knows the facts now.

But he chose to tell this country untruth after untruth.

And that is one critical difference between THIS Minister of Finance and the PNM Minister of Finance.

I believe that the population needs to know the truth.

And today I want to tell the population: Be not afraid.

The road may be long and winding. The task before us is hard.

But as certain as the day follows the night, the sun will rise again and our country will bask in the sunshine again.

## **Tobago**

I want to address some misinformation that the Tobago PNM are sharing.

I have to say the Tobago PNM, because right now the PNM is split into many adversarial factions, with many leaders.

Even in this Honourable house, Mr Speaker, I am unsure who is leading and who is following on the bench opposite.

We are not vindictive to the people of Tobago like those opposite.

This Government, led by the Honourable Prime Minister Kamla Persad Bissessar, is a government for all of Trinidad and Tobago. Yes. ALL, ALL, ALL.

Unlike the PNM, we have openly expressed a desire to work with our brothers and sisters in Tobago and to ensure that Tobago gets a fair share of the national pie.

For fiscal 2025, the then Minister of Finance promised the THA \$2.6 billion.

This allocation left the THA with very little for development programs on the island.

Mr Speaker, I am proud to announce that the THA will receive an additional **\$134 million** under this government, led by this Prime Minister.

\$32 million of this will be allocated via the Supplementary Expenditure.

In addition, yesterday, I met with representatives of CAF, the Caribbean Bank of Latin America, and I am

proud to announce today that this Government is finalising arrangements for the signing of a **US\$15 million or TT\$102 million** loan from CAF to undertake several coastal protection projects across Tobago.

Mr Speaker, I am advised that these projects were identified as critical for the benefit of the people of Tobago.

The loan was negotiated, and for more than a year, the PNM Minister of Finance refused to sign the agreement! That is pure vindictiveness and wickedness towards the people of Tobago.

Recall that a former PNM Prime Minister threatened the people of Tobago that they would pay a price if they did not support the PNM in the THA elections.

The Honourable Prime Minister Kamla Persad Bissessar has instructed this Minister of Finance to remove the stumbling blocks and work with CAF and the THA to start this work.

In addition, every Ministry and state agency spending money in Tobago on projects and programmes will be required to liaise directly with the Chief Secretary, the two Honourable Tobago MPs and the THA administration to finalise expenditures for fiscal 2025.

That would account for an additional \$621 million from October 2024 to September 2025.

For Budget 2026 and going forward, this Government intends to liaise with the Tobago Members of Parliament and the THA in Tobago.

This to ensure that the elected officials of Tobago, the Members of Parliament and the THA, have a direct say in expenditure being undertaken by the Government of Trinidad and Tobago.

Gone are the days when a Prime Minister in Port of Spain will call his contractor friends and business partners in Tobago to dictate projects to fill their pockets.

The elected THA representatives in Scarborough will chart their development. I trust that ends the desperate mischief and misinformation being peddled by those opposite.

Under our Honourable Prime Minister Kamla Persad Bissessar and her Government, our brothers and sisters in Tobago will guide their future development.

## **PNM Malice**

Mr Speaker,

Less than a week ago in this very House I heard the Member for DMNE say

***"You will fail and you have a very difficult period facing you. Because of the facts... The Minister of Finance must know by now the challenges he faces"*<sup>1</sup>**

The PNM members thumped their desks, giggling at the thought of the tragedy that they had inflicted on citizens.

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<sup>1</sup> Hansard, TTRA Repeal Bill 2025, 13/06/2025



The Member for San Fernando East, ranted about devaluation, collapse, loss of investment, economic mayhem, anxious to create panic, fear and further instability in the minds of potential local and foreign investors. That is their goal.

What manner of person rubs their hands in glee at the thought of citizens suffering.

That is reprehensible. That is the PNM.

## PNM Recap

Mr. Speaker, the last ten years of PNM rule has been a decade of debt, death and destruction for all of Trinidad and Tobago except the friends, family and financiers of the PNM.

They spend a decade blaming Kamla while they spent 600 billion dollars on the biggest feeding frenzy this country has ever seen.

When they felt that picking the pockets of tax paying citizens was not enough, they went on a borrowing frenzy.

Adjusted General Government Debt has increased by 92% since 2015. Reckless borrowing by the PNM racked up the debt to \$ 145 billion.

External debt alone has more than doubled from US\$2 billion to US\$5.48 billion over the same period.

That is a 167% increase.

Money my Government now has to find foreign exchange to pay.

Under the member for Diego Martin NE and his gang, the TT economy contracted by 20 percent contraction. That is the PNM legacy.

They have raided the Heritage and Stabilisation Fund 11 times in just nine and a half years to the tune of almost TT \$20 billion.

The non-energy sector collapsed by 12% under the PNM.

The energy sector has plummeted by over 33 percent

Agricultural output has collapsed by 50 percent

because the PNM sabotaged farmers to facilitate the importation of food from their “eat ah food”

friends/family/financiers. Their legacy for food security is food dependency.

There are 48,000 fewer persons with jobs today compared to 2015, 48,000 livelihoods destroyed.

Where is the PNM hotline for them?

19,000 fewer young people are employed today than in 2015. Under the PNM, our young people have been neglected, sidelined, and outright abandoned, a generation of potential crushed by their neglect.

The verdict is clear, under the PNM, 79% of businesses in AMCHAM T&T and EY's 2025 Economic Outlook Survey declared no confidence that there will be economic growth. This devastating lack of faith reflects a decade of PNM mismanagement that has broken trust, stifled opportunity, and driven investment away.

Net Foreign exchange holdings have dropped by 50 percent under the PNM from \$10.5 US billion to \$5.3 US billion. Today TT has a mere 7.5 months of import cover.

Under the previous administration, our nation endured a decade of systemic failure:

- record-high crime peaking at 624 murders in 2024,

- neglected schools compromising our children's future, and
- a broken healthcare system leaving vulnerable patients—including children—without certainty of life-saving treatment.

Tens of thousands of the elderly, pensioners, who have given their lives to build this country now have to choose between food and medicine.

Every single social, economic and financial indicator has fallen over the last decade.

They collapsed growth, drove away investment, crippled our energy sector, and piled unsustainable debt onto future generations, all while failing to deliver real progress.

But these are not just numbers Mr Speaker.

These are people – these are our brothers and sisters,  
our sons and daughters.

Our people are suffering Mr Speaker.

But Mr Speaker it is not only that the PNM government  
has engaged in wanton squandermania, as my  
colleagues will show.

## BIR

The PNM attacked and undermined the very institutions which the country depends on.

For the last decade, the PNM deliberately sabotaged the Board of Inland Revenue, refusing to provide the resources so that the BIR could pursue tax evaders, allowing big business to pocket **\$10 billion illegally.**

The Member for San-Fernando East admitted it wasn't the working-class or regular employees dodging taxes — he said plainly:

*"It is not the working-class people of this country or employees, general employees, that can dodge taxes.....It is wealthy businesspeople, it is wealthy professionals in their practices that are dodging*



*taxes in this country. That is where the corrupt practices are taking place.”*

They **knew who the tax evaders are**, they obviously always did and they **did nothing** because those who engaged in cheating the tax system are their **friends, financiers, and family**.

While ordinary citizens bore the burden of higher taxes, these elites exploited loopholes with impunity.

Rather than pursuing delinquent taxpayers, the former Minister imposed more taxes, penalizing compliant citizens while granting tax-dodging elites a free pass.

## Procurement

Mr Speaker, the **Office of Procurement Regulation (OPR)** was created by the UNC to eliminate the potential for corruption in public spending.

In order to undermine its effectiveness in preventing corruption, the PNM gutted the law clearing the way for the multi billion-dollar corruption and secret contracts that took place under the last Government.

Mr Speaker, when you look at the Auditor Generals Report you will find over \$30 billion dollars in expenditure was unverified, could not be located, were not presented for audit or were not placed in the vote books in 2024.

That is half the annual expenditure of the country!

That is alarming!

That is why they were so intent in not releasing the Auditor Generals Report!

I hope the Member for DMNE will eventually tell the country the truth about this unholy scandal.

And when the **2025 report is released**, we expect to see even more A **feeding frenzy of corruption**, where friends family, and financiers of the PNM were handed contracts with no accountability. While citizens were struggling to buy food and access basic services, the PNM was busy **fattening their inner circle**.

## Clarifying the Mid-Year

The Mid-Year Review serves a dual purpose.

First, to provide an update on the state of the economy. Second, to obtain Parliament's approval for proposed amendments to the Appropriation Act, 2025.

The reason we are here today seeking a supplementary appropriation of **\$3.14 billion** is simple: we are forced to supplement a PNM budget.

This isn't our shortfall this is the latest chapter in the PNM's long history of serial underbudgeting.

Today, this Government is compelled to seek an **additional \$3,143,983,761.00** in supplementary funding, not because of unforeseen crises -

but because the former Government **intentionally underbudgeted for critical expenditure**, knowing full well that the bills would come due.

Let the record show what we are doing now is cleaning up the mess they left behind.

It is about closing the gaps that the PNM deliberately left in their budget

This is *classic PNM*.

They spend money without any clear idea of *where the money is coming from*.

No proper planning, no sustainable financing, just reckless expenditure masked as governance.

What we have witnessed under the previous administration was not budgeting—but **a calculated scheme of financial deception.**

Year after year, they pass budgets that are deliberately underfunded, and then come back to this Parliament, cap in hand, for billions more.

## Fiscal Outturn

### Deficit

The 2025 Budget projected an overall fiscal deficit of \$5.51 billion or 2.91 percent of GDP.

An overall deficit of \$3.97 billion was projected for the period 1st October 2024 – 31st March 2025.

However, the actual outturn of revenue and expenditure resulted in a deficit of \$3.44 billion which was \$526.7 million lower than projected.

This reduced deficit figure however is deceptive and was achieved by slashing expenditure resulting in the accumulation of hundreds of millions in arrears that the current Government must now pay.

It is fiscal recklessness and financial manipulation.

What the former Government did, was when they recognised that their revenue target was going to be substantially less than budgeted, they simply stopped meeting their obligations.



## Revenue

In terms of Revenue collections projected for the period October 2024 to March 2025 was \$24.58 billion.

However, actual revenue collected was \$24.09 billion, resulting in a shortfall of 485.5 million in revenue.

This almost \$485.5 loss in revenue is very likely as a direct result of the under resourcing of the one entity engaged in tax collection – the Board of Inland Revenue.

Our tax revenue was effectively compromised by the PNM.

## Expenditure

The data also showed that the total expenditure was slashed by \$1.01 billion for the first six months of the 2025 fiscal year.

Mr Speaker the total projected expenditure for the period October 2024 to March 2025 was \$28.55 billion. However actual expenditure recorded for the six month period was \$27.54 billion, \$1.01 billion less than projected.

Who did this? And why?

This was a deliberate action by then PNM Finance Minister at statistical conmanship, kicking the can down the road so that the new Government coming in has to find the money to pay.

It resulted in the accumulation of over a billion dollars in arrears owed for wages and salaries, loan repayments, goods and services etc.

I wish to also remind citizens that these figures do not take into account further billions owed in VAT, wage settlements and to contractors which the member for DMNE failed to budget to pay in his 2025 Budget.

## **Provision of Supplementary Funds**

Mr Speaker, today we seek this Parliament's approval for supplement the PNM's 2025 Budget in the sum of \$3,143,983, 761 or \$3.144 billion disaggregated as:

Recurrent Expenditure - \$2,865,046, 761

Development Programme - \$278, 937,000

These funds are necessary in large part to meet multiple instances of deliberate under budgeting, or to meet obligations promised in the Budget speech of the PNM Minister of Finance the member for DMNE but for which no provision was actually made or for new initiatives determined by the then PNM Government, again where no provisions had been met.

It is instructive to note that until this Government presents a full Appropriation Bill at the start of the new Fiscal year, 2026, supplementation is provided under the existing or old heads of expenditure with appropriate administrative arrangements in place.

The increase in the expenditure proposed is as follows:

**Head 01: President - \$1.0 million**

**Head 02: Auditor General - \$4.9 million** of the SRC as well as legal judgement costs.

**Head 03: Judiciary- \$50.0 million**

**Head 04: Industrial Court - \$0.77 million**

**Head 05: Parliament - \$26.9 million**

**Head 06: Service Commissions – \$1.5 million**

**Head 07: Statutory Authorities Service**

**Commission – \$1.3 million**

**Head 09: Tax Appeal Board – \$0.27 million**

**Head 11: Registration, Recognition and**

**Certification Board – \$0.64 million**

**Head 12: Public Service Appeal Board – \$1.3  
million**

**Head 13: Office of the Prime Minister – \$128.4  
million**

**Head 15: Tobago House of Assembly – \$32.7 million**

**Head 22: Ministry of National Security – \$13.9**

**million** to meet the shortfall under contract employment, payment for detainees' meals during the State of Emergency as well as food provisions for officers on "call-out" duty.

**Head 23: Office of the Attorney General and Ministry of Legal Affairs – \$89.5 million**

**Head 26: Ministry of Education – \$296.1 million**

**Head 28: Ministry of Health – \$728.5 million** to meet arrears

**Head 30: Ministry of Labour - \$55.7 million** Report as well as other salary related expenditure.

**Head 31: Ministry of Public Administration – \$275.8 million**

**Head 37: Integrity Commission – \$1.6 million**

**Head 39: Ministry of Public Utilities – \$489.5 million** to meet shortfalls in personnel expenditure, goods and services, travelling and contract employment and to supplement TTPost's allocation for salaries and other remunerations.

**Head 40: Ministry of Energy and Energy Industries – \$1.3 million**



**Head 42: Ministry of Rural Development and Local Government – \$122.1 million** to meet arrears

**Head 43: Ministry of Works and Transport – \$266.3 million** to meet costs related to contracted services for highway and drainage works; operational expenses for NIDCO's ferry services; debt service in respect of NIPDEC and NIDCO bond facilities to finance roadworks under PURE; ferry procurement

**Bottom line: The PNM chronically under-budgeted critical wages, rents, and essential services; this mid-year package is the clean-up bill.**

Mr. Speaker, under the Development Programme, supplementation of **\$278,937,000** is being provided as follows:

**Head 05: Parliament – \$1.0 million**

**Head 26: Ministry of Education – \$159.0 million** for acquisition of laptops and to cover the cost of school repairs over the July-August vacation.

**Head 31: Ministry of Public Administration – \$50.0 million**

**Head 43: Ministry of Works and Transport – \$58.9 million**

**Head 82: Ministry of Digital Transformation – \$10.0 million**

## The Budget Deficit

### Projected Fiscal Performance

Mr. Speaker, the 2025 Budget was predicated on an average oil price of **US\$77.80** per barrel and natural gas price of **US\$3.59** per mmbtu.

Our estimation for oil and gas prices to the end of the Fiscal Year is **US\$66.00** and **US\$5.00** per mmbtu.

With this and other adjustments we anticipate a decrease in total revenue of **\$556.7 million**, with a resultant overall deficit of **\$9.67 billion**.

Mr. Speaker, we expect to fund the increase deficit principally via borrowings on the local capital market as well as by drawing down on existing multi-lateral facilities.

We will also work assiduously to improve the revenue mobilization capacity of the Inland Revenue Division and explore further expenditure consolidation and efficiency initiatives in the coming months.

Let me be clear, this plan is an interim strategy aimed at restoring financial stability.

It will be followed by more comprehensive and impactful reforms in the 2025/2026 National Budget.

## **Reorienting the Economy: Immediate Priority**

### **Actions**

Mr. Speaker, congruent to our Strategic National Development Plan, we are already implementing the following suite of policy measures and structural reforms:

- Repeal of the Trinidad and Tobago Revenue Authority (TTRA) Act;
- Repeal of the Property Tax Act;
- Ensure Public Safety and Justice by establishing Committees to recommend legislation on 'Stand Your Ground' policy and Home Invasions.

- Launch of a feasibility study on reopening the PETROTRIN Refinery;
- Distribution of laptops to all incoming secondary school students from September 2025;
- Refurbishment and completion of all long-abandoned schools;
- Opening of the UWI Debe Campus;
- Establish Catheterization Laboratories to address the rising incidences of cardiovascular disease;
- Amending the Children's Life Fund Act to extend coverage to children with *life-limiting*, not just life-threatening conditions; and

- Review and eliminate unnecessary state-funded goods and services including security details and property rentals.
- And much more.

## The Way Forward

Mr. Speaker, we are unwavering in our mission to rebuild and firmly place this economy on the path to sustainable inclusive and all-encompassing growth and prosperity.

Our key priorities include:

- **Transfer Pricing Legislation:** This critical reform will ensure that profits earned in Trinidad and Tobago are taxed fairly and in accordance with international standards.
- **Global Forum Compliance:** This Administration is now aggressively moving to implement the necessary international tax standards to remove Trinidad and Tobago from the European Union list of non-cooperative jurisdictions for tax purposes.



- **Exchange of Information on Request (EOIR)**

**Combined Peer Review:** We are advancing our efforts for delisting by the EU, an important step in demonstrating our commitment to transparency and cooperation in global tax matters.

- **Business Levy Reform:** We are currently re-examining the Business Levy regime, with particular attention to its impact on capital-intensive and foreign firms in the early stages of investment.

- **Tax Incentives:** We are reviewing the Income Tax (In Aid of Industry) Act with a view to broadening the scope of incentives for Research and Development and capital expenditure beyond the traditional manufacturing sector.

- **Permanent Establishment:** We will consider introducing a statutory definition of Permanent Establishment (PE) in domestic tax law to provide greater legal certainty for foreign investors and strengthen source-based taxation.
- **Qualified Domestic Minimum Top-up Tax:** This will apply only to very large multinational enterprise groups, with global revenues of at least **EUR 750 million** paying less than **15 percent** effective tax on their profits in Trinidad and Tobago. In these instances, we will consider the introduction of a “top-up tax” to bring them up to the **15 percent** minimum.

## **Foreign Exchange and Investment Framework**

Mr. Speaker, to address persistent foreign exchange shortages, we will:

- Collaborate with the necessary stakeholders to establish a Foreign Exchange Allocation Committee to bring greater transparency, equity and strategy to the allocation of scarce FX resources;
- Implement reporting obligations for high-volume importers to ensure that foreign currency inflows and outflows are better monitored and aligned with the country's strategic economic priorities;
- Enhance investor confidence through the development of profit repatriation protocols, dividend safeguards and investment protection

frameworks, drawing on best practices such as those implemented in Barbados;

- Explore foreign currency tax exemptions and investment tax credits as tools to encourage the retention and reinvestment of foreign earnings within the domestic economy; and
- Review Trinidad and Tobago's network of bilateral tax treaties and work with CARICOM partners to advance regional tax harmonisation, promoting cross-border investment and reducing administrative burdens on regional businesses.

## Export and Trade Facilitation

Mr. Speaker, export-led growth is critical to building a resilient and diversified economy.

To this end, we will:

- Examine the introduction of an Export Allowance and Export Growth Incentive, with a focus on high-potential non-CARICOM markets and target priority sectors including agro-processing, ICT services and niche manufacturing;
- Consider the establishment of an Export Proceeds Retention Facility, enabling exporters to retain a portion of their foreign currency earnings, thereby ensuring more predictable access to foreign

exchange for reinvestment and operational expansion; and

- Expand our international trade representation and digital export promotion efforts, providing enhanced marketing and matchmaking support to connect local businesses with global buyers and unlock new export opportunities.

Thank you, Mr. Speaker. I beg to move.