

Procurement

Madam Speaker, the Procurement Regulator has been actively building capacity within the *Office of Procurement Regulation*. I am advised that staffing and training is in progress, and barring unforeseen circumstances, the new procurement regime utilizing best practice could be in place in the first quarter of calendar **2019**. I wish to share with this Honourable House some of the provisions of the Public Procurement and Disposal of Public Property Act 2015 in anticipation of its full proclamation. Indeed, the Act applies to all public bodies and public private partnership arrangements receiving public money, so they must become familiar with the provisions of this legislation.

Essentially, any procurement of goods, works, services, retention, or disposal of public property which is not done in accordance with the legislation and any procurement contract or agreement which is also inconsistent with the legislation could be deemed void and illegal by the Regulator.

All public procurement and the disposal of public property must be effected in a manner consistent with the provisions of the legislation. A great deal of emphasis would be placed on the delivery of local content in our new procurement arrangements.

Procurement arrangements within our Ministries, Departments and public bodies will now become known for their integrity, transparency and value for money.

Tax Administration

Madam Speaker, Honourable Members would recall that I shared with them the Tax Administration Diagnostic Assessment Tool (TADAT) Performance Report on Trinidad and Tobago. This specially designed tool - TADAT- has allowed us to gauge the performance of our tax administration with clear guidelines and priorities for reform.

We had long-recognized that our tax system was under-performing as far as domestic revenue mobilization was concerned, although we had made substantial and significant progress in reforming the taxation system for

improving domestic revenues. We did so as a country in the **1990s** with the introduction of the value added tax and in the early **2000s** with the lowering of income tax rates and simplification of the income tax system.

Madam Speaker, despite the implementation of those best practice initiatives, our revenue administration continues to suffer from serious problems of governance, extensive non-compliance and weak organizational structures. The TADAT Assessment was informed by **twenty-eight (28)** high-level indicators critical to tax administration performance. The Board of Inland Revenue received the lowest mark in the **4-point** scale for **17**, or **61.0 percent**, of the **28** indicators. The recommendations from this Report are guiding our tax reform and modernization agenda. With technical assistance from the International Monetary Fund, we are expanding training and other capacity building initiatives for the staff of the revenue authorities.

Our aim is to ensure that the revenue base generates the collection of potential revenue as we improve the quality of service to the tax paying community of this country. These activities will be enhanced as the staff transitions to the proposed Trinidad and Tobago Revenue Authority (TTRA) which would provide fast and efficient quality service to taxpayers through simple transparent and up-to-date procedures.

Trinidad and Tobago Revenue Authority

Madam Speaker, we have made substantial progress in bringing the Trinidad and Tobago Revenue Authority to fruition. This major institutional reform will underpin our efforts to stem the revenue collection leakages now inherent at the levels of the Inland Revenue and the Customs and Excise Divisions. Upon its establishment in **2019**, best practice standards in domestic tax administration would be embraced with greater efficiency in domestic tax mobilization. We would witness the full benefits of this reform in **2020** in the context of the full operationalization of the Trinidad and Tobago Revenue Authority.