



Parliament of Sint Maarten

Staten van Sint Maarten

To the Hon. Minister of Finance
Mr. M. Ferrier
Philipsburg

UV/199/2017-2018

Philipsburg, May 16, 2018

Re: Questions from MP R. Brison and MP F.G. Richardson regarding Budget 2018

Hon. Minister Ferrier,

Herewith I submit to you questions posed by Member of Parliament, Mr. Rolando Brison and Member of Parliament Mr. Frans G. Richardson pursuant to article 62 of the Constitution and article 69 of the Rules of Order of the Parliament of Sint Maarten.

The letter is self-explanatory.

Yours truly,



S.A. Wescot-Williams
President of Parliament

Ingek. 07 MAY 2018

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Landsverordening tot vastelling van de begroting van het land Sint Maarten voor het dienstjaar 2018 (Landsverordening begroting 2018) (Zittingsjaar 2017-2018-107) IS/480/2017-2018 dated April 21, 2018)

May 7th 2018

Questions from the USP Faction

Through the Chairlady of Parliament our faction hereby submit in writing the following questions relevant to the 2018 draft budget for St. Maarten to the Minister of Finance. We look forward the receiving the answers to these question in writing. We apologize for any repetition of questions that may be included.

1. Please provide Parliament with a copy of the RFT decision of March 27th 2018 which is based on St. Maarten's suggestion to enact article 25 of the Kingdom Law Financial Supervision.
2. Although according to the draft budget not all conditions of Trust Fund are known, we do know that The Netherlands has set the approval of the 2018 budget as one condition.
3. We have a budget with a NAF 200 million deficit and no cost saving measures or income generation proposals included in the draft. Are these still forthcoming?
4. A proposal to amend the pension system is making its rounds. We imagine that people who have been working for over 20 years in government , with the expectation of retiring first at 60, then 62 now a proposed 65 are asking themselves if they have not paid their dues. How much savings is this proposal expected to produce should it be presented and passed by parliament?
5. The compulsory Medical Insurance cost is unattainable for government. Government is stating it cannot wait for the National Health Insurance to be established. The Council of Advice correctly states that government recognizes the problem but provides no solutions. We ask the government to provide a proposal. Who are the people affected?
6. The aspect of strengthening the Tax Office and Tax Reform are welcomed measures, but when? This is the time to introduce Tax Reform to take the burden off the few people and business that are paying. The strengthening of the Tax Office without the Tax

ST. MAARTEN STATE

Reform will undoubtedly lead to undue pressure on already struggling businesses in the post hurricane Irma and Maria stage and may even lead to further expansion of the informal market.

7. USP Faction proposes reducing the down-time in government which will surely lead to increase in revenue. Open more tellers on busy days at the Receiver. Process requests more efficiently so that government collects the fees for these services quicker. Every delay leads to a loss of potential income.
8. The Council of Advice expressed concerns about the absence of the evaluation of the budget by Judicial Affairs to which the government replied that this was done minimally. The USP Faction shares the concerns of the Council Of Advice and points out the risk that the budget may not pass the test. The COM stated in the general remarks to the budget that the budget could not be prepared in accordance with the compatibility ordinance. What consequences can this have for the further handling and eventual passing of the budget.

General Affairs: p 20

9. The government mentions the improvement of the service to the public. Please list specific changes that will be introduced and please indicate, if any monetary investments are being made, what they are and the budget that will be allocated.

Critical functions: p 22

10. Vacancies at Judicial Affairs, ICT, Fire Department Airport. How much of the improvements are dependent on the hiring of persons for these critical function?
11. Is there a personnel stop?

Ministry of Finance: p 23

12. Improve Tax Compliance. It would be interesting to discern the knowledge of our citizens the topic of their tax obligations. Government mentions in the policy note the importance of the improvement execution of the effectiveness and efficiency of tax regulations that would lead to the citizens and business to be prepared to meet their obligations towards the community. Based on this point that the government makes on page 23 of the notes to the budget, can we expect an administrative approach towards the collection of taxes opposed to a prosecutorial approach? To be clear can citizens and businesses expect that, taxes owed by them will be collected based on agreements made between the tax payer and the tax inspectorate and Receiver and not in first instance in the court of law?

13. Will government be able to increase its borrowing capacity? In other words will the debt to GDP ratio be adjusted?
14. Is there a new letter from CFT of the last week or two, pertaining to the 2018 St. Maarten budget?
15. Please provide a copy of the Minister of Finance's 37 point wish list.
16. Where is the wish list reflected in the budget?
17. Please provide a copy of the Maho Group Wish list?
18. Please provide a copy of any other requests such as that received from Maho Group?
19. Taxes owed by especially none-nationals who are long gone after the hurricanes of 2017 by default are getting a tax break – unfair tax break in fact. Other Tax payers have stayed and find themselves in arrears, but decided to limit the dismissal of employees and stay and fight to make their business work. Other businesses and individuals who may have owed taxes decided to repair their businesses and homes instead of complying with their tax obligation and

as a consequence did not have to solicit a handout, loan from government, on the contrary they helped keep the economy moving. These tax payers may be looking towards government for a break, some breathing space or incentive for having taken the "bold" risk to see it through the storm.

Ministry of Justice p. 26

20. What is the status of the judicial facilities?
21. Is the Miss Lalie Center operational?
22. What is the status of the prison and the plans for the reconstruction?
23. Which measure are in place to mitigate the presence of illegal immigrants, the potential cost on government and loss available jobs for legal citizen?
24. How is the need for foreign labour being accommodated as it pertains to the residency aspect of the permitting process?
25. Cameras to combat crime has been talked about for over a decade and is necessary, but it does not prevent the crime when people are desperate. What is the rate of apprehension of criminals committing robberies and other violent crimes compared to the crimes committed.
26. Please provide statistics on crimes committed during the past 5 years
27. Have we experience an increase in cost in combating crime since the hurricane?
28. What is the monetary value of the current police assistance provided by our Kingdom Partners?
29. Are any incentives being given to our students to pursue a career as prosecutors and as judges.
30. Do we have sufficient foster homes?
31. Have we seen an increase in the need for foster homes and foster families?
32. Please provide an overview of the needs and services provided to foster children and potential foster children.

Ministry of Education, culture, youth and sports p. 30

33. Improve the quality of education: Basics are lacking. We have young adults who have not gotten a basic education to be able to read, write and perform basic mathematics. What is being done for these people particularly in the labour market?
34. How many children are currently in primary and secondary school? Provide statistics of the past 5 years.
35. Have any subsidized schools suffered significant budget decreases as a consequence of lower student registration?
36. What is the status of the sporting facilities?
37. When will the repairs on all the Sports and Cultural facilities be completed?
38. Can funds be secured from the Trust fund to improve existing sporting facilities and build facilities where they are much needed?
39. Can funds be secured from the Trust Fund to build the performing arts Theatre?
40. Do our children have easy access to psychological support as a consequence of having experienced devastating hurricanes last year and now the consequences that follow?

Ministry of Public Health and Labour p. 36

41. Please provide an update on the quality of care being provided at the SMMC?
42. Has the funding been secured for the rebuilding and expansion of the SMMC and if so please provide the details of the funding, which should include the source, the condition, the

43. When is the construction supposed to start and end and which contractor will build the new hospital?
44. We have been talking about NHI for the past decade. Is it still being pursued? If not what alternatives are being sought?
45. What has been the cost of the uninsured to government on an annual basis for the past 5 years.
46. Is the law to provide sole proprietors the opportunity to obtain Medical Insurance coverage at SZV still being pursued? If yes what is the main cause of the delay? When can parliament expect to receive the draft law?
47. Page 37. The review of the AOV-Pension age being increased from 62 to 65: Which other measure are being considered to curb the cost, the waste and secure the viability of the fund?
48. How many pensioners currently collecting AOV pension do not fiscally live on St. Maarten. Please provide a breakdown of AOV pension recipients (of course numbers only) of non-registered and those who are registered but are suspected to be living outside of St. Maarten.

Ministry of Labour p. 38:

49. What is the unemployment rate?
50. What is the success rate of the unemployment registration?
51. How many requests have been received for foreign work permits and how many have been granted?
52. Which initiatives to ensure that the local workforce has a job, have been taken and have been successful?
53. What is the expected number of illegal migrant workers currently on the island?
54. Are these illegal migrant workers taking legitimate jobs from local and registered persons seeking employment?
55. What is the estimated amount of money illegal migrant workers are extracting from the economy and what is government doing to limit this leakage?
56. How big or small is the current workforce on St. Maarten?
57. Is there a shortage of manpower and if so for which jobs?
58. Have persons who have been out of work since the hurricane or as a consequence of the hurricanes in 2018 been able to renew their work permits without having employment?
59. If not how does government insure that these persons comply with the laws of the land and leave St. Maarten? What system is in place? These two questions are directed to the minister of Justice as well.

Ministry of Tourism, Economic Affairs, Traffic and Telecommunication

60. Is a portion of the Trust Fund being secured for improving and promoting St. Maarten as a Tourist Destination?
61. What are the marketing plans for the coming years?
62. Diversification of the economy is mentioned, please provide specific plans.
63. We see a deterioration of our neighborhoods especially as it pertains to commercial activities. Is Economic Zoning being strictly adhered to and if not which measure are being taken to ensure that the rules of this country are upheld?
64. Will Standardization and online applications become a reality in 2018 for permits in general, but for the ministry of TEAT in particular?

Capital expenses is budgeted per ministry totalling some Naf 28.877.933,- which entails many new investments per ministry. What are they and how was this priority determined.

Ministry Of VROMI

65. On page 50 there seems to be absolutely no monies allocated for zoning plans nor environmental matters at the policy department VROMI. Are all needed zoning plans in place that we need not prepare these to prevent the constant abuse of our beaches, hill sides etc?

66. Residents are being restricted to using the beaches for commercial purposes and access to several beaches is being made very difficult. Please inform Parliament if there are any existing policies and or laws that regulate the use and access of the beaches to the public. In particular, how do the regulations apply to Mullet Bay, Kimsha etc.?

67. What is the definition of a beach and are all beaches on the island Public? If not why not? Is money needed for these type of studies and/or court cases?

68. On Page 51 a total of Naf 3.400.000,- is reserved for the road network. Considering the significant damages the road network suffered during the passing of Irma can such be considered enough to structurally repair these roads or will that happen with the funds from the Trust Fund?

69. When we look at the cost for public streetlights we noticed the cost hasn't changed. Wasn't an agreement signed a few years back to change all the lights to LED lights? Was this done and if so why is the cost still the same?

70. On page 52 reference is made to "afval Centrum" a waste central at the cost of Naf 100.000,-. What is this exactly?

71. On page 52 there's an increase of Naf 500.000,- for the landfill? Is that to combat the fires and how does this align itself with the SOAB report of February 2017 which spoke of a serious shortfall of funding for the landfill?

72. On page 52 reference is made in various sections of the department of Infrastructure Management budget of a calamity budget. Is there a calamity fund for general use or not? If not are the amounts mentioned in the budget of Infrastructure Management relevant for severe calamities?

73. On page 52 reference is made to Public Toilets in Philipsburg. What about the toilets at Kimsha beach? Aren't those public? Who pays for that?

74. On page 52 Maintenance and Repairs of monuments is zero. Have funds been reserved for this purpose elsewhere in the budget?

75. On page 58 the income for the domain lands decreased. Why is that?

76. Did government sell land that the income has declined or have entities or people received exemptions for the payment of long lease?

77. Considering the amount of damaged homes and businesses how is it that the projected income for 2018 for building permits has decreased instead of considerably increased?

78. How many additional sewage connections are expected to be made considering the