

Parliament of Sint Maarten

Staten van Sint Maarten

Parliamentary Year 2020-2021-145

National Ordinance amending the National Ordinance on the 2020 Budget and the Pension Regulation Political Authorities (National Ordinance Budget amendment 2020 including the amendment of the Pension regulation for political authorities)

Report No. 5

Parliament in its meeting of the Central Committee has exchanged views with the Government on the draft National Ordinance amending the National Ordinance on the 2020 Budget and the Pension Regulation Political Authorities (National Ordinance Budget amendment 2020 including the amendment of the Pension regulation for political authorities).

Parliament considers the present draft to be adequately prepared when the questions below are answered in time for the public meeting so that the draft can be discussed in a public meeting.

The United Sint Maarten Party-faction has taken note of the draft with interest. The faction would like to know what the financial consequences of the petition by the Ombudsman can mean for us. What does it mean for Government if the Ombudsman wins the case? How much money has been allocated in budget 2021 to cover that cost? How is it build up exactly? How much money are we talking about actually?

How does the retroactive aspect of the law work? The faction mentions that the General Audit Chamber informed the Government that they will not implement the cuts because they are illegal. If a High Council is stating this, why is the Government making a different choice? So, the persons that have not implemented the 12,5% cut, how does it work? How does this work if tomorrow the Constitutional Court says the law stands but it cannot go retroactive because it

should have never been implemented until it was approved and that the trajectory that the law has to pass is followed in its entirety?

The faction would like to know the position of the Kingdom Council of Ministers and the Second Chamber on the conditions of the second tranche possibly not being met due to it possibly being illegal and in contradiction to our Constitution based on the court case at the Constitutional Court. Has a position been received from the Kingdom Council of Ministers and or the Second Chamber at this point?

The faction mentions the letter of the Cft of November 23, 2020, and states that the letter talks about 5 million guilders still being used for capital expenses from the total amount that was budgeted. How much was not used and which projects did it impact directly? Did Government get any instruction that they may not use capital expenses in 2020? And if they did, from who did they get that instruction?

In the letter from the Minister of May 4, 2021, regarding the amended budget, it was to basically allow the execution of the SSRP now in 2021 seeing that it started in April 2020. Is this correct? Is it that we are forming a basis today to justify the SSRP to continue? The faction would also like to know if the agreed-upon funds have now been received so that we can start paying out the SSRP as many people have not received anything for quite a while. If the monies have not been received as yet, what is the hold up seeing that the Kingdom Council of Ministers agreed with the letter of the Chair of Parliament?

In the letter of the Cft of November 23, 2020, the Cft in its closing remarks talks about an *aanwijzing* that was given to Sint Maarten back in 2015 where deadlines were supposed to be met. Six years later they refer to a letter of July 2019 of a decision of April 18, 2019, of the Council of Ministers. The faction mentions that if there was a letter written in July 2019, BZK *kenmerk* 2019000272759, what happened with the execution of that letter? One year later in the letter of November 23, 2020, again reference is made to that letter with deadlines that had to be met and were not met. It states that the decision on these deadlines still has to take place. What effect does that have on the budget amendment 2020? What deadlines are they

talking about? Can the Minister give a clarification on the conclusion of that letter?

The faction further mentions that the Minister also stated that the SSRP was higher than anticipated and that that is one of the reasons for the amendment. The faction would like to know how much higher it was and what really caused that exactly.

When are we going to implement the new decrease in benefits for the political office holders? We are busy with electoral reform ourselves here in Parliament and that is one of the matters we are looking at. While the Minister proposes to go from 24 months to 12 months, we were looking at putting some additional conditions because paying people for something you cannot afford should not become something at the front burner of this budget.

The faction would like to know what the total budgetary expense is. How much millions are we talking about? What is the monetary value? This will have to be reflected in the 2021 budget if there is a change of course because of the outcome of the court case. What will this shortfall be?

Who excluded the groups of entities and persons from not paying the 12,5% in solidarity or as part of their salary based on the second tranche conditions and why exactly was this done?

Was there a reason given why we did not get the 39 million? Are there new conditions set to the 39 million?

The United Democrats-faction has taken note of the draft and states that while it understands the Government's position regarding the urgent need to have an approved budget and as close to the realistic numbers as possible, the overriding question remains, this budget is now going to include the cost-cutting measures as legislated in the laws which have been contested by the Ombudsman and are for review by the Constitutional Court. Can the Minister confirm this? So, we are acting, in this draft amendment, as if these laws are in effect.

How has the retroactive character of the laws been executed in practice? How do we see the execution of those laws that went into

effect as per July 2020 reflected in the budget? How can we look at the budget, the draft that is before us now, and say here is where the cost cutting measures in the laws have been applied? How can we see the results of these laws reflected in this draft amended budget?

The faction would like to know on what date it can receive the overall financial state of the country? When can the faction receive a real overview of the financial position of the country? Has the 39 million guilders liquidity assistance now been received for the second quarter of 2021? Has the liquidity assistance been received after State Secretary Knops received the letter from Parliament saying that Parliament in the petition to the UN is not addressing or condemning the COHO? Has the implementation agenda now been signed between the Government of Sint Maarten and the Government of the Netherlands?

The faction further mentions the issue of capital expenditures and states that that has been cut in this amended budget and would like to know how the Government is planning to execute capital projects. For example, there was an ad placed regarding demolishing the old Government building and the Post Office building. That would be a capital expense. How does the Government view carrying these projects out? The faction also took note of an ad to remodel the BTP building. How would such a capital investment be carried out, since we do not have any capital expenditure possibilities in the draft amended budget? Could the Minister give a full report on the purchase of the BTP building by the Government?

As per when, if approved, will the part of the pension regulation political office holders go into effect? When and how? Will it be futuristic only or will it affect those that are now receiving?

How can we see the effects of the 3 laws in the budget? Can the Minister report on the status of the payment to the Justice workers?

Can the Minister give an overview of the insurance coverage of the Government in general? The CRIFT payment that was received, the appraisals, the insurance monies. The faction would like to receive a report on the insurance coverage and payout of Government and Government related buildings, inventories, etc. How does Government view the process going forward, even with the approval of this budget and those 3 laws hanging in the air? Is there anything to report on the budget for 2021? Any report from the Council of Advice in terms of when you can look forward to receiving their responses?

The faction further mentions that the Ministry of Finance administrates Parliament's account. The faction would like an overview of that and specifically contracts that the Government is paying for Parliament. Can the Minister give us an update with respect to Government's discussions and financial promises to the Mental Health Foundation? Can the Minister give an update with regards to the financial relationship between Government and SZV?

The faction further queries the reasons why the liquidity assistance has not been sent to Sint Maarten. The faction would like to know if there is something else playing that we are not aware of. Is the matter of the airport and the issue of the corporate governance playing in the whole liquidity circle? Did the Government of Sint Maarten respond to the first letter of the Royal Schiphol group following the dismissal of the former CEO of the airport? Did the Government receive a second letter from the Royal Schiphol group? If they did, is there any tying in of the airport saga and the liquidity assistance for the country or the loan and money for the airport?

The Minister has confirmed that the implementation agreement has been signed. Can that implementation agreement that was signed be provided to Parliament?

Can the Minister provide us with the status of persons receiving some benefits for having served? At what stage are these persons in the trajectory or is there no one in the trajectory? If this part of the law is going into effect on the first of July 2020, so no one at this time would fall under the workings of this change to the law?

How would the Minister deal with a roll-back of any part of the laws that have been submitted to the Constitutional Court for review?

This report is to be considered as Final Report.



Stipulated in the meeting of the Central Committee of May 7, 2021.

The Reporter,

R. Brison