

Subject: FW: Letter to Minister of Finance via Parliament Chairwoman

From: nancy.joubert@sxmparliament.org [mailto:nancy.joubert@sxmparliament.org]
Sent: Friday, April 15, 2016 8:53 AM
To: SXM STA Linette Gibs
Cc: SXM STA Ann Groen-Gumbs
Subject: FW: Letter to Minister of Finance via Parliament Chairwoman

STATEN VAN SINT MAARTEN			
Ingek. 15 APR 2016			
Volgnr. 151660/15-16			
Par.	1	MRJ	

From: Tamara Leonard [mailto:tleonard1974@gmail.com]
Sent: Thursday, April 14, 2016 10:51 PM
To: Nancy Joubert
Subject: Letter to Minister of Finance via Parliament Chairwoman

Mrs. Sarah Wescot-Williams

Chairwoman of Parliament

Parliament House

Wilhelminastraat

Philipsburg

April 14, 2016

Subject: Questions for Finance Minister Richard Gibson about Moody's downgrading et al

Dear Chairwoman Wescot-Williams,

My means of this letter I submit the below questions via you to Finance Minister Richard Gibson. The questions related to the downgrading of the country's rating by Moody's and other related financial matters.

The Finance Minister can submit his answer in writing to Parliament. My original intention was to request a public meeting of Parliament. However for expediency, I have opted for this route to get as much information as possible to acquire a better understanding of the current situation.

I've taken note of some of the public statements, including the ones, the Finance Minister made in the Council of Ministers Meeting on Wednesday, April 13, 2016. In view of the latest developments, amongst them the downgrading of the island by Moody's, I wish to seek clarifications:

1. When did you first learn that Moody's intended to downgrade the country and what did you do when you learnt of it?

2. Why did you not inform Parliament during the Budget Debate about the pending downgrade?
3. Provide Parliament with a detailed information on the reasons Moody's give to you for the downgrade.
4. Could any of these reasons have been foreseen and if so what was done, if anything, to prevent the downgrading?
5. What effects will or has the downgrading caused for on the country?
6. What are the plans to restore St. Maarten to its previous rating?
7. How will the downgrading of the country affect the airport's rating?
8. During the budget debate, you stated that St. Maarten had an "enviable" debt to GDP Ratio, why then did Moody's downgrade the country?
9. Moody's report indicated that the economic growth rate for St. Maarten is 0.5 per cent, while the region is projecting over four per cent, what is government plan to grow the economy?
10. You stated several times in the Press Briefing of April 13 that the Turnover Tax is six per cent. Do clarify this and explain when the additional one per cent was added.
11. Does Government intend to increase the Turnover Tax?
12. During the same Press Briefing, you stated that you met with the Management of the airport and you urged them not to impose a import duty on cargo handlers. In what capacity did you meet with management?
13. Was the meeting with the airport a decision by the Council Of Ministers?
14. Have you met with the Cargo Handlers and if not, will you be meeting with them given the fact that complaints were made publicly against the airport management and the proposed new fees they intend to implement?
15. Would you agree that given the fact that your son is on the Airport Board and the fact that you own a business at the airport, your meeting with the airport management could be considered a conflict of interest and a possible violation of "integrity " standards?
16. You also stated during the Budget Debate that Government could borrow millions of dollars on the capital market. The question is how much does government intend to borrow and for what purpose and when?
17. How would that loan be repaid?
18. Furthermore you gave the impression that government has the intention to impose "import duty?" How would that affect the duty free status of the country?
19. You have proposed the establishment of a Development Bank for St. Maarten. What stage are the plans for this bank? Where would the monies come from to set up the bank?
20. What role did your announcement of the proposed Development Bank and your statements about the replacement of the CFT by a local financial supervisory body have in Moody's decision to downgrade the island?

21. Did the Council of Ministers instruct the airport to direct its decisions to you as Minister of Finance or to the Council itself? If so, why? Does this not violate the arms length policy towards government owned companies which is currently in place? What is the position of Minister of TEATT in these cases and is the Ministry of Finance now task with affairs pertaining to the Airport?

22. What is the reason for the stagnation of the airport's capital improvement programs, particularly the construction of a new FBO facility and other projects, given that government has already issued the necessary building permits over four months ago?

23. What is the situation with regards to the reinstatement of Ms. Regina LaBega who is at present on leave of absence from her position as managing director of the airport? There were talks about negotiations to appoint her as a consultant to the airport to ensure continuity, however, given your stand against hiring consultants, can it be concluded that this has affected the appointment of Ms. LaBega as consultant to the airport?

I look forward to the speedy answers to these questions from the Minister of Finance as well as receiving any other pertinent information from him on the issues raised in this letter.

Yours sincerely,

MP Tamara Leonard
United People's (UP) party