



TRINIDAD AND TOBAGO
Act No. 17 of 1968

[L.S.]

AN ACT to provide for the guarantee by the Government of Trinidad and Tobago of loans to the statutory authorities by Lending Agencies.

[Assented to 29th May, 1968]

BE IT ENACTED by the Queen's Most Excellent Majesty, Enactment
by and with the advice and consent of the Senate and
House of Representatives of Trinidad and Tobago, and
by the authority of the same, as follows:—

1. This Act may be cited as the Guarantee of Loans Short title
(Statutory Authorities) Act, 1968.

Interpretation

2. In this Act—

“Lending Agency” means an International Financial Organisation or any bank, Insurance Company or other source of financing;

“Minister” means the Minister responsible for Finance;

“statutory authority” means any body established by statute and exercising powers vested in such body by law for the provision of essential services, housing, transport or for any other public purpose.

Power of Government to guarantee loans by Bank to statutory authorities

3. (1) The Government may in such manner and on such terms and subject to such conditions as may be agreed between it and a Lending Agency—

(a) guarantee the discharge by a statutory authority of its obligations under any agreement which may be entered into by the statutory authority with a Lending Agency in respect of any borrowing authorised by the statute establishing the authority or under any bond, promissory note or other instrument issued pursuant to any such agreement; and

(b) assume such other obligation as may be agreed between the Government and a Lending Agency in relation to or pursuant to any such agreement, bond, promissory note or instrument.

(2) A guarantee or undertaking given under this section shall be given in writing in the name of Trinidad and Tobago and any guarantee or undertaking or any endorsement on any bond, promissory note or other instrument of guarantee or undertaking given under this section may be signed on behalf of Trinidad and Tobago by the Minister or by any person authorised in writing by the Minister in that behalf.

Restriction on borrowing powers of statutory authority so far as guarantee outstanding

4. So long as the Government shall continue liable under any guarantee or other undertaking given in exercise of the powers conferred by subsection (1) of section 3 in respect of any borrowing by a statutory authority, the statutory authority shall not, without the consent of the Minister, exercise any other power to borrow possessed by it except the power to borrow by way of overdraft or otherwise for a period not exceeding twelve months.

5. (1) Where in the opinion of the Minister there is reasonable cause to believe—

Powers exercisable by Minister in event or prospect of default by statutory authority

(a) that a statutory authority is likely to fail or be unable to discharge any of its obligations under any agreement concluded by it with the Lending Agency or under any bond, promissory note or other instrument issued pursuant to any such agreement; and

(b) that the Government is or may become liable under any guarantee or other undertaking given by it in respect of such obligation,

the Minister may by order give or authorise any other person to give such directions in writing to the statutory authority as may from time to time be necessary or desirable to ensure that such arrangements are made by the authority as will enable it to discharge its obligations under such agreement, bond, promissory note or instrument or under this Act, and the statutory authority shall, notwithstanding any provision contained in any other statute, comply with such directions.

(2) Nothing in this section shall affect or derogate from any other power conferred by law on the Minister to whom responsibility for that statutory authority has been assigned or any public officer in respect of such statutory authority.

(3) Where any sum becomes payable by the Government pursuant to a guarantee or undertaking given in exercise of the powers conferred by section 3, that sum shall be charged on the Consolidated Fund or on any other Fund established by Act of Parliament for a specific purpose, and the Minister shall direct payment to issue out of the Consolidated Fund or such other Fund, as the case may be.

6. If any sum is paid out of the Consolidated Fund or other Fund referred to in subsection (3) of section 5 in respect of any liability incurred by the Government under a guarantee or other undertaking given in exercise of the powers conferred by subsection (1) of section 3 in respect of any borrowing by a statutory authority, the authority shall repay such sum (together with interest thereon at such rate as the Minister may prescribe) to the Consolidated Fund or other appropriate Fund as the case may be, in such manner and at such time as the Minister may direct.

Statutory authority to repay to Government sums paid under guarantee

Minister may
remit tax, &c.
by order

Ch. 33. No. 1

Ch. 33. No. 4

7. The Minister may provide, by order published in the *Gazette*, that any tax, duty or fee payable under the Income Tax Ordinance or the Stamp Duty Ordinance or any other enactment shall be remitted where such remission is, in his opinion necessary to give full effect to any guarantee or undertaking under this Act.

Passed in the House of Representatives this 17th day of May, 1968.

G. R. LATOUR

Clerk of the House of Representatives

Passed in the Senate this 21st day of May, 1968.

J. E. CARTER

Clerk of the Senate