HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1992

The House met at 10.25 a.m.

PRAYERS

[MADAM SPEAKER in the Chair]

LEAVE OF ABSENCE

Madam Speaker: Hon. Members, I have granted leave of absence to the Member for St. Joseph (Hon. Augustus Ramkarsingh) who has communicated to me that indeed he is suffering from an attack of the virus and is unable to be here with us today.

CONDOLENCES

Madam Speaker: I have also to announce the death of Mrs. Clerine Sobion, mother of the Hon. Attorney General. I offer my condolences to him and his family.

The Minister of Local Government and Minister in the Ministry of Finance (Hon. Kenneth Valley): Madam Speaker, on behalf of this side of the House, I join you in expressing condolences to our colleague, the Member for Ortoire/Mayaro, Hon. Keith Sobion, on the passing away of his mother.

Mortal man has not been able, as yet, to accept the death of a loved one. I am sure that the pain and hurt that the Member feels today is the same as it was centuries ago. I assure him that our prayers are with him and his family. I feel secure in the knowledge that the Supreme Being will strengthen and sustain him in this his hour of need.

Thank you.

Mr. Ramesh Lawrence Maharaj (Couva South): Madam Speaker, may I, on behalf of hon. Members on this side of the House, express our sympathy to the hon. Attorney General on the passing away of his mother.

Madam Speaker, the death of a person is always a very difficult event for friends and relatives to accept. I think that we who are faced with these circumstances can always get consolation and comfort from our respective religious teachings and we feel that at this time the hon. Attorney General and family, will get comfort from theirs.
We offer our prayers for him and his family and we wish them God's blessings at this time so that they may have the strength to withstand their grief. Than you.

Madam Speaker: I now direct the Clerk of the House to send an appropriate letter of condolence to the Sobion family.

PAPERS LAID


Papers 1 and 2 to be referred to the Public Accounts Committee.


To be referred to the Public Accounts (Enterprises) Committee.

4. The Provisional Collection of Taxes Order, 1992. [Hon. W. Mottley]


6. The Customs (Import Duty) (Caribbean Common Market (No. 2) Order, 1992 [Hon. W. Mottley]

APPROPRIATION BILL
(BUDGET)

[SECOND DAY]

Order read for resuming adjourned debate on question [January 17, 1992].

That the bill be now read a second time.

Question again proposed.

Mr. Basdeo Panday (Couva North): Madam Speaker, even in the most normal circumstances, this budget would have been of great interest, but coming as it does, in the wake of an election campaign which resulted in a change of government, its importance assumes even greater significance.
The country now has a unique opportunity to witness and observe in its stark nakedness the shameless depths to which some men and women would descend in order to get power. This budget is being presented at a time when the sweet rhetoric of wild promises are still ringing in the ears of those who just over a month ago voted for the PNM. It comes at a time when the ink is not yet dry on the pages of a manifesto full of irrevocable commitments to the poor, to the destitute, the unemployed, the victims of vicious crimes of the drug lords, the vagrants and the business community; promises to the churches with special reference to the Baptists, the unsuspecting and the racially motivated.

In no other scenario would lies and deceit have been so glaringly exposed, and I think that it is a good thing for the development of our people's consciousness in our emerging democracy. The budget, coming as it does so closely after the election campaign, makes it impossible for those who voted for the PNM to avoid facing the consequences of their gullibility. Henceforth, they will never forget that the freedom to choose your government in a democracy also carries with it, the responsibility for the consequences of your actions on election day. I am sure that there are thousands today who regret that they ever stained their fingers for the PNM, and who must now be saying that as long as they live, they will never repeat that mistake. It seems to me that the dragon has now been removed from on top of the Red House and brought into this honourable Chamber.

10.35 a.m.

If there was one thing which distinguishes the UNC from the other political parties during the elections campaign it is the fact that we chose to focus on the issues while the others preferred the sweetness of bacchanal: Who was involved in the Muslimeen coup, who was not; who was the first to put the dragon on the Red House; who was a caring government and so forth. We went through the length and breadth of this country telling the people that the election was about food, clothes and shelter. It was about their safety and their well-being; not about race, not about whether the Prime Minister will be of Indian or African descent, not about who will rule, but about how they will rule.

We identified, and in so doing forced others to identify, the main issues facing our people at this time. We not only identified, but we also prioritized the issues as being unemployment and poverty, crime and the security of the person and property, the deteriorating state of our public utilities, the absence of social infrastructure resulting largely from the implementation of IMF and World Bank
conditionalities, and the whole question of alienation, the result of an historically persistent system of discrimination, corruption, nepotism, favouritism and political patronage.

Madam Speaker, you may recall how as we tried to bring these issues to the fore, as we tried to put these issues on the national agenda, our detractors, the wealthy and powerful conglomerates and their agents, pulled out all the stops in their efforts to destroy us. It will be a long time before this nation can forget the obscene use by the conglomerates, of their monopolistic control over the media in their determination to maintain their privileged position in the society. To do so, they are prepared to perpetuate the division of the country along racial lines to suppress and/or misrepresent the views of the United National Congress by conducting a malicious campaign of mis-information and downright lies.

For that purpose they established one of the most expensive and vicious propaganda machines the country has ever seen in an election campaign. So powerful is one of those machines, that today, as if programmed by an unseeing hand, it continues to promote and propagate its surrogates. Long after they have lost their seats in the Parliament and descended into the hades of political oblivion, the machine continues by the sheer force of its own momentum, like a zombie. It cannot be stopped.

I remind the country of these matters so as to underscore the warning I issued to the population during the campaign. But the election was really about a struggle to decide who would control the economy, whether it would be those who constitute what I call the parasitic oligarchy, that small group that wants no real change in the status quo, and who are prepared only to hand out crumbs to keep the howling masses at bay, or whether for the next five years the economy was going to be controlled by those representatives of the vast majority of the population: the poor, the powerless, the destitute and the homeless, the underprivileged and the underpaid, the professionals or the small and medium-sized businessmen and women, those who for the past decade have been crying out for meaningful change in the society, change that will bring equality and justice for all our peoples.

Some of us knew the answer to that question on the night of December 16, 1991 but in the event that there was any doubt in the minds of the rest of the population, this budget makes it painfully clear that the monopolistic
conglomerates are still in control, this time with a vengeance. It is they who really won the last elections.

Basically, there are two approaches in responding to this budget: One is to accept the ideological framework within which it was conceived and in which it is cast, and to argue your case from there. Alternatively, one can abandon totally the mould, the PNM mould, and adopt a revolutionary approach seeking out new and daring solutions to our problems. I shall attempt Madam Speaker, with your gracious leave, to examine both approaches. This 1992 Budget was mercifully short in length, but painfully shorter and sadly lacking in vision and new ideas. To say, as some Members of the Government are reported to have said, that the budget would hold no surprises, is probably going to be the understatement of the year. Not only did it contain no new ideas, but it also set no new goals, points to no new direction. It inspires no one and gives no hope to a beleaguered people and ignores the desperation of our young citizens. It flies no flags, it lifts no spirits.

This budget is a bland and cowardly attempt to hoodwink an unsuspecting population by handing out a crumb with one hand while taking a loaf with the other. It is simply a case of more of the same, the old PNM in all its glory. For the past 15 years that I have been in this Parliament, budget after budget, I have been hearing the same things from the PNM, the same analysis within the same ideological and conceptual framework; the same problems are identified and the same solutions are prescribed. It is as if it were only last Friday that I heard the late Dr. Eric Williams, former Prime Minister of Trinidad and Tobago in those long historical tomes that preceded his budget proposals blaming the performance of the international economy for the national woes of Trinidad and Tobago; bemoaning our dependence on oil and stressing the need to establish a strong foreign exchange position and, in the more recent times, blaming the problems of the foreign and local debt burden for everything.

The answers to these problems have always been the same: reduce our dependence on oil, not by producing what we consume or consuming what we produce, but by producing export-oriented non-oil products which we can sell abroad to earn foreign exchange so that we can purchase from abroad the things that we need, for example, food, clothes, shelter for the lower and middle income people and luxuries for the rich. How often have we heard the exhortation that we must export, export. Export what? And to whom? They do not say nor do they set up the required infrastructure to promote exports. How tired must our people be of hearing in budget after budget that we must attract foreign investment,
while year after year the Government fails to do so. There is no new examination of the causes of such failure.

They appeal to us to band our bellies and eat less and drink less so that we can repay our huge foreign debt, whilst at the same time the Government continues to borrow, both at home and abroad, so that they may splurge on wasteful projects, engage in gross corruption and patronage and travel all over the world in style, and while the conglomerates continue to make huge profits at the expense of the rest of the society. During all these years what has been the constant answer to the problem of unemployment and poverty? The ever present Special Works; DEWD, LIDP, YTEPP, YESS, and AIM, which may soon become “Nope” and “Fire!”. A little more old age pension here, and a little more public assistance there, while at the same time raising the cost of living and so cancelling the benefits of even such meagre crumbs, and keeping our people in a state of perpetual dependency. That has been the style of what some now so disparagingly refer to as the old PNM.

10.45 a.m.

Madam Speaker, you would have noted that I made no distinction between the old PNM and the NAR although they both occupied office during the period under review, that is 1976—1991. I assure you, Madam, that that was neither an accident nor error. I made no distinction between them because there is none to be made. Born as they were out of the same womb, it would have been unreasonable to expect that either would operate from any but the same conceptual and ideological framework. If the supporters of the PNM would open up their consciences and examine impartially what I have said about the approach of the old PNM to the problems and solutions over the past 15 years, they would know that I am speaking the truth.

Now, what of the new PNM and their approach to dealing with the problems? Are they not identical? All you have to do is read the budget speech presented by Minister Mottley, who incidentally seems to me to be an old PNM speaking on behalf of another old PNM, the Prime Minister, whose party is under the control of an even older PNM, Minister Saith. This inescapable fact really gives the lie to the very first line of the budget which says that, "This is the first bill of a new Government in a new Parliament". It is just the opposite. Those who were voting for the PNM and felt that they were voting for change will soon realize that what they have got instead is worse than exchange—it is small change.
I want to make it absolutely clear that I am not attacking the right of any citizen to vote for the party of his or her choice. Indeed, it is said that in a democracy people have the right to be wrong. I merely wish to make them conscious of that error so that those who are responsible for putting the PNM in power may never do it again. That is my right.

There is one thing about this budget for which I must commend the Minister, however. It is indeed the essence of simplicity even if at times its stated goals are inconsistent with the measures he proposes. At the very outset, page 1, he admits that unemployment, particularly among the nation's youth, is a very serious problem. He is honest enough to concede that the official figures relating to the rate of unemployment may not reflect the true extent of our unemployment problem as adults who, from frustration, have stopped looking for work and are no longer part of the statistics. Later on, at page 7, he confirmed my worse suspicions: that the NAR was only hoodwinking us when they told us that there was a decrease in the unemployment rate from 20 per cent in the third quarter of 1990, to 18.6 per cent in the third quarter of 1991. In fact, all that really happened was that the NAR, in typical PNM fashion, opened up several Special Works programmes to win votes for the elections. Those are my words, but what the hon. Minister actually said at pages 6 and 7 was:

"It is, of course, probable that much of these new jobs were created in the special employment programmes funded by the Government and, therefore, could not be sustained if the fiscal situation weakened".

But what is so tragic, Madam, is that Minister Mottley tells us at pages 24 and 25 that that is exactly what he is going to do to the unemployed in 1992.

The PNM is going to review the LID Programme and put a new one in its place next year. No doubt, the name of the programme will be changed yet again. In the meantime, however, LIDP will continue. The PNM will also continue to maintain YTEPP, YESS and AIM. The only difference between the now defunct NAR and the PNM seems to be one of size. Whereas the NAR spent $163 million in 1991 on such work projects, the PNM has allocated $90 million to that same venture. The Minister calls it unemployment relief and justifies it as "an investment in social stability". That is what I mean when I say that the old PNM, the dead NAR and the new PNM are all locked in a conceptual time warp from which they cannot escape. They will not accept that the only lasting answer to the unemployment problem is the creation of permanent jobs—permanent well-paid jobs in productive,
profitable and self-sustaining economic enterprises. Whether that is organized by
the state or private enterprise does not matter. It lies also in providing the
infrastructure that would facilitate the establishment of thousands of successful
small businesses.

Be that as it may, let us look at the full impact of the Government's
unemployment relief. Assuming unemployment levels hover around 100,000
persons—and this, I think, is a conservative estimate—then, their $90 million
would provide an average of $900 per unemployed, provided, of course, that
there is equitable distribution in the programme. With a family of three and a
rising cost of living, that would carry each family with meagre means of living
for about a month. What is going to happen to them for the rest of the year? The
hon. Minister has the temerity to describe this programme as an investment in
social stability and as a demonstration of respect for the human dignity of all. He
describes it as a vehicle for undertaking activities designed to raise the welfare of
the entire community. It is more likely than not that this will turn out to be an
investment in social instability—what with all the corruption, favouritism,
discrimination, nepotism and political patronage historically associated with such
programmes. Once more, we shall begin to hear of women having to sell their
bodies for a “five days” and a “ten days” so that they may mind their children. So
much for your respect for human dignity.

10.55 a.m.

Would the hon. Minister not agree that in order to achieve what limited social
stability that can be expected from this meagre programme, $90 million will have
to be distributed equitably among the various regions of the country? Or is this a
programme that is going to be limited to the urban areas? If it is so, is there not a
programme of unemployment relief for the unemployed in the rural areas? Is
there one for the east and the west and the north and central and the south? Are
they not all entitled to equal treatment? Assuming that there is not going to be
equitable distribution, what are the criteria that will determine which area is going
to be selected for relief?

What is the system that will ensure that the unemployed who live in that
particular area where the project is going to be located will be selected for
employment? Assuming that they will be selected for employment, who shall be
the first on the list? Where is the mechanism for ensuring fairness and priority in
selecting candidates for this “five days” and “ten days” business? The Minister
leaves the poor and the unemployed with little hope, even beyond the “ten days” and the “five days”.

At page 35 he now tells us—he should have told us this before the elections, but he now tells us—

"In Trinidad and Tobago, we experienced a decline in our real income in the 1980s of more than 30 per cent. This, unfortunately, was accompanied by an increasing incidence of poverty. So far, the 1990s do not offer much cause for optimism".

I want to repeat that. This is a Minister who campaigned a month ago. He knew this. He told us nothing about this. He comes now and he tells us in his budget: "So far, the 1990s do not offer much cause for optimism", so far as they are concerned. In other words, the PNM does not know what to do about unemployment and poverty.

I submit that unless the Government can deal with the issues I have raised, they may well find out that the LID is blown off their DEWD, when YESS turns to “Nope” and AIM turns to “Fire”. Let me remind this honourable House that what I am doing at this stage of my contribution is critically examining the Government's budget within the context of a PNM ideological framework and the parameters set by them, most of which we on this side do not accept.

The budget, like every other PNM budget since 1988, laments the fact that our economy continues to be highly dependent upon a single commodity, oil; and that we must diversify the economy. Yet the major part of Government's development expenditure in this budget is on the oil industry. Very little money has been allocated for development of the non-oil sector. In other words, we shall continue to be a volatile one-product economy.

Other aspects of the budget include the implementation of the Industrial Court’s award to public servants which includes the consolidation of COLA, a two per cent increase and a new COLA formula from 1989 at a cost of some $495.6 million, effective March 1, 1992. At the same time, however, the PNM raises income tax from 30 per cent to 35 per cent for workers whose annual income is between $20,000 and $40,000 per year, and from 35 to 40 per cent per year for workers who earn over $40,000 a year. The first category includes workers who earn between $1,700 and $3,400 per month, while the second category includes workers whose salary is over $3,400 per month.
If I am not mistaken, some 80 per cent of public servants earn salaries over $1,700 per month. They will, therefore, all pay five per cent more tax on the new salary. I am of the view that by a combination of these two measures alone, many public servants will be taking home less pay than they do now. With a higher cost of living expected, their standards of living are almost sure to fall. In addition, those who own motor cars will now pay 65 per cent more for gasoline and other petroleum products, and those who do not will pay more for transport.

They will also pay 50 per cent more if they drink and smoke and I suppose no one can have any quarrel with that, but they also pay more for such basic necessities like food, clothing and housing. Even the removal of VAT on school books, which are bought once per year, will not offset the rising of the costs of daily travel and the higher cost of living.

I am happy that some of the trade union leaders are happy, but I should be happier still if after six months from today the workers are equally happy. A real benefit to parents would have been to standardize school books and stop this rip-off once and for all. That would have been a greater benefit.

The same argument would hold, not only for the unemployed, but also for old age pensioners who will get an increase from $315 to $347 per month, inclusive of food stamps. That is to say, $32 per month, or just about one dollar per day.

The public assistance recipients will get an increase from $92 to $101 per month; that is to say, $9 per month for an adult and $8 for a child and that works out to be about thirty cents per day. I submit that with the other draconian measures introduced in the budget, the people in this category will be worse off and suffering will be on the increase. Even in the distribution of this meagre benefit, there has been associated with it corruption and favouritism and the recipients are humiliated and abused.

The PNM claims to be a caring Government. God help us if they were only even neutral. The truth is, they could not care less. If this caring Government really cared for the old age pensioners they would have amended the means test for qualifying for old age pension. At the present time, if a senior citizen is in receipt of an income which exceeds $4,800 per annum, he or she is disqualified from receiving old age pension. You know what that means, Madam Speaker? If a senior citizen is running a parlour and making a profit of $100 a week, that person is denied old age pension.
In the UNC manifesto, we propose that this figure should be raised to $12,000 per annum. We make that recommendation now, again, knowing that the Government will not make the necessary amendment. We do it to illustrate the futility of the budget debate as it operates under our present system of Government.

The tax concessions granted in the budget will in no way benefit the poor, the unemployed, the lower and middle income workers. It is believed that less than 7,000 taxpayers make use of these concessions relating to home repairs and tax free bonds and they are all in the upper income bracket. If this budget was intended, as the Government claims, to provide relief for the poor, the lower and middle income groups, I fear it would not achieve that objective. What the new PNM Government has given with one finger it has taken away with both hands in the manner of the old PNM.

On page 12 of the budget, the hon. Minister states that the Government, "will seek to achieve three broad objectives in the medium term": sustainable economic growth, durable reduction of unemployment and restoration of the foreign exchange reserves. The hon. Minister says that he intends to achieve these laudable objectives by attracting a substantial increase in investment and expansion of exports in agriculture, oil and gas, tourism, construction and manufacturing beyond the Caricom and into the difficult markets of North America, Latin America and Europe. You know, he is beginning to sound like UNC, but that is as far as he gets in this budget, and apparently will ever get.

I agree with the hon. Minister that in order to have sustained economic growth, one must attract investment. Whether it be local or foreign the investment comes from savings, but you do not call upon the unemployed and the lower income people for savings, nor do you impose forced savings upon them. That is cruel. They can barely survive, far less save.

A survey of the local scene will reveal that among certain groups in the society there already exists a great deal of money lying around, both at home and abroad, waiting to be invested. Previous administrations have failed to persuade the owners of these funds to invest them in Trinidad and Tobago, not for reasons stated by the hon. Minister. The reasons include a lack of confidence in the political directorate, corruption in the grant of licences and concessions to investors, downright discrimination against potential investors, sometimes on the basis of race; the monopolistic control of the banks and other financial institutions
by a system of interlocking directorates that enable the monopolists to discriminate and smother potential investors. These are some of the real complaints that militate against investment, local investment particularly. None of these constraints are mentioned by the hon. Minister.

I ask him: how do you expect the economy to expand in that kind of constrictive scenario? The new PNM like its predecessors, the NAR and the old PNM can do nothing about that because they are in the pockets of the monopolists. That is the key in this budget. A UNC government would free-up the banking system by breaking the monopolistic control that they have over the financial institutions while ensuring that proper safeguards are put in place to protect depositors and investors. That is a measure sorely needed. This sector is in need of competition. The constraints against foreign investment are no different; they are only more.

Despite the fact that the PNM B-team, also called the NAR, published a policy guide to investment and passed a Foreign Investment Bill, they failed to attract any investment in sufficient quantity and quality to have a significant impact upon the employment situation. During the last election campaign, the UNC was the only party to face head-on this problem of foreign investment and to make bold and revolutionary proposals for attracting such investment.

We argue that the singlemost important factor militating against our ability to attract foreign investment is the small size of our local market, including Caricom. We propose that we should seek a treaty with the United States of America for the free movement of labour, capital and goods between the two countries. We were poo-pood, laughed and scoffed at and ridiculed. You can imagine, how pleased I was to hear the Minister at page 4 of his budget speech say:

"When one looks beyond 1992, the trend towards closer economic union is a factor which will considerably influence the shape of the international market for our products and the decisions of investors as to where to locate the new operations".

If he continues like this, I fear he will reach the UNC one day. Yet the budget does not indicate where the market is going to be in which our exporters will sell their goods.

The UNC holds fast to its proposals for bilateral arrangements with the North American Free Trade Area to ensure a market for the products of potential investments, whether that investment be local or foreign. If our attempts to
negotiate such an agreement are unfruitful, if the other side is unwilling, we must seek other partners. We must be prepared to ban the goods of those countries that refuse to accept our goods and the goods of our investors. We have got to be strong enough for that. We have to enter into bilateral agreements with those who will accept our goods.

Assuming, Madam Speaker, that there was a market for the goods to be produced by our investors, this budget is woefully silent on incentives to production in the short, the medium and the long term. The hon. Minister makes no mention of any concrete measures to encourage the manufacturing and export sectors, although expansion of exports is one of the major planks of his economic recovery plan.

It must be that the Minister assumes that the market forces by themselves will provide significant incentives to local and foreign investors. I think his assumption is wrong. A mere expression of a promise of intention to remove the bottlenecks and constraints to investments by an amendment of the outdated Companies Act is less than adequate. The Minister will need, also, to tackle the revision of the Banking Act, the Foreign Investment Act, the Securities Industries Act, the Exchange Control Act, and if he has time after this debate, I can mention a few more to him.

The increase in corporation tax from 40 to 45 per cent appears to have satisfied the demand of some of the leaders of the labour movement that the burden of adjustment is being shared equally. I think it is timely to point out that the equitable distribution of the burden of adjustment has not merely an emotional content. The method used to effect it can have dire consequences for the labour movement itself, and particularly for the unemployed.

For example, have we considered that the unemployed may have been better off if, instead of an unconditional increase in corporation tax, companies were encouraged to avoid the tax by investing an equivalent or greater sum in new enterprises, so creating permanent job opportunities for hundreds of persons now employed? Have we considered what effect the corporation tax will have on investors' confidence and consequently upon our ability to attract them here? We are spinning top in mud if we do not realize that we are competing with other countries for scarce international investment capital.

The increase in corporation tax, besides, is in total contradiction to the PNM’s manifesto. That manifesto, at page 8, in fact, went the other way, and promised an investment allowance to businesses in the non-oil sector, in addition to
reducing corporate taxes to a level which encouraged competitiveness and business expansion.

The Minister makes no mention of another promise in the manifesto to sponsor a venture capital fund for investments in the export sector, to absolve export trading companies from paying VAT on export transactions and exempting them from corporation tax. All that is in the PNM’s manifesto, not in the budget.

Even though the Government admits that all its attempts to diversify the economy have failed, and the economy remains one based on petroleum, the Minister is frighteningly silent on a clear policy for the oil sector. No amendment has been made or proposed for the petroleum tax regime. When one recognizes that tax revenue from this sector is estimated to fall by 45 per cent in 1992 from its 1991 level of $1,852 million to $1,014 million, it is more than strange that no mention is made of the supplemental petroleum tax, the STP legislation which expired on December 31, 1991. It is unbelievable that the first budget of a new Government at this crucial time should not contain a single word on this topic. Indeed, this budget appears to be more significant in what it has left unsaid than in what it actually says.

Having emphasized, at page 15 of the budget, that:
"a primary object of this budget is to consolidate the country's financial position..."

and at page 17:
"the main consideration in setting the size of the budget is our concern to rebuild the country's foreign exchange reserves."

in spite of those statements, Minister Mottley lost a golden opportunity to restore confidence in the TT dollar following on the panic created by a most inane statement by his leader, Prime Minister Manning, concerning the floating of the TT dollar. That was a most irresponsible statement made at a most inopportune time by a most inexperienced and reckless driver of the ship of state, his facial notwithstanding.

I am told by my advisors that this single act of gross irresponsibility has resulted in a huge flight of capital and sharp reduction in our foreign exchange reserves, not to mention the loss of confidence in our ability to manage our foreign exchange rate. In the face of PNM’s avowed intentions to liberalize foreign exchange as stated in its manifesto and in the teeth of the Prime Minister's faux
Appropriation Bill (Budget) Wednesday, January 22, 1992

...about floating the TT dollar, together with a growing speculation that our dollar is over-valued and will be devalued, the budget is silent on these matters and I submit that can only lead to further speculation and loss of confidence in our currency and our economy.

When you examine more closely the other proposals of the budget, you will note a distinct lack of clarity in the Minister’s presentation. For example, the removal of restrictions on foreign currency accounts held in local banks by net exporters is a good idea. But the proposal simply to allow non-residents to hold foreign currency accounts as a means of increasing the country's foreign reserves is quite shortsighted. That is an idea that was copied from the UNC, but they did not copy it properly.

The idea, when we propounded it, of course, was to allow both residents and non-residents to open foreign currency accounts in our commercial banks as a means of encouraging those who had banked their money abroad in the good old days to bring it back into the system. But in order to encourage that you would have to go much further than merely permitting the opening of such an account in a commercial bank here. You would also have to offer a competitive rate of interest to entice the owners of such currency to move their money into your bank from the bank abroad.

The flight of money tends to follow the movement of international interest rates. If the Government wants that money that has left the country to come back here, they must also be prepared to grant an amnesty for any breach of the law incurred in sending the money abroad in the first place. But I had better not talk about amnesty at this stage. They may give it and say they did not give it, or say the President did not sign it.

The point I am making is that in order to attract such assets, it is important that the owners of such assets have confidence in the regime. You do not engender that kind of confidence by reneging on your manifesto pledges so soon after being elected. You do not say before the election what you think people want to hear just so that you may win the election and then do exactly the opposite after you have won.

Here are but a few examples in the art of that kind of deceit. The Express, April 28, 1991, "PNM plans to help jobless, slashes taxes". I read from the article:

"People's National Government would set up an unemployment relief programme, slash taxes on businesses and sell off shares in certain State
companies to the public. These were some of the economic plans outlined yesterday by PNM leader Patrick Manning and Kenneth Valley, the main author of the party's economic policy."

Now we know the culprit. The article continues:

"Responding to a question from the floor on how a PNM Government would handle unemployment, Mr. Manning said..."

And I quote him:

"'We have put something together on unemployment relief. This is something that must be done when you have an unemployment rate as high as ours'. Mr. Manning also spoke of creating jobs in the short-term. In making his presentation, Diego Martin Central Representative, Valley said that, 'the PNM would reduce corporation tax in the non-oil sector from 40 to 25 per cent to allow these firms to finance their growth through retained earnings'."

You said that? Which one was true then? Which one was the lie—the one before or the one now? They did just the opposite. They increased corporation tax. And where is the something they had put in place for the unemployed? The continuation of DEWD, LIDP, YESS, YTEPP and AIM? Was that it?

11.25 a.m.

The *Express* of November 4, 1991, page 1, headlined "Manning: A blueprint for job creation" states:

“The People's National Movement has a blueprint for job creation opportunities after the next general elections, PNM Political Leader Patrick Manning said on Saturday.”

I want to point out, that at the time he was speaking at the opening of the Princes Town constituency office. The article continues:

“Mr. Manning said that a committee headed by party Vice-Chairman Wendell Mottley . . .”

Oh! Oh!

“was now ready to present to the party its report on job creation opportunities.”

Is that the same Mr. Mottley? Was he ready then; is he not ready now? I think I had better read that again:
"Mr. Manning said that a committee headed by party Vice-Chairman Wendell Mottley was now ready to present to the party its report on job creation opportunities.

Mr. Manning said, 'the PNM has done detailed work and is now in a position to say to the national community that the moment we are elected to office we will be in a position immediately to put into place the strategies developed for economic recovery and the creation of jobs on a scale that would make a significant impact upon the high unemployment rate. We are ready."

That was his statement. Is it that somebody wrote the manifesto and somebody else wrote the budget?

I find it difficult to reconcile that statement that I have just read, with the complaint of Minister Mottley on page 11 of his budget speech, that he did not have enough time to prepare the budget and so he must focus instead on the immediate stabilization of the economy. He says in the budget speech:

"In the months ahead, we shall be undertaking the detailed technical work required to convert our ideas into a fully coherent, consistent medium-term economic strategy and investment programme."

Before the election he had it all ready; after the election he is going to do it down the road. That speech is what I call a double fault. Not only does the honourable Minister put a lie to his Prime Minister's statement about being in a state of readiness if elected, but by saying that the Government will translate its plans later down the year, the Minister has given rise to the speculation that this is only half of the budget, that the other half will come some time later. He therefore, with one stroke, converts his own budget into a non-budget. Such indecisiveness serves only to exacerbate the lack of confidence in the Government so studiously nurtured by their immediate predecessors.

Let me quote again from the Guardian of November 6, 1990, “Manning: PNM can provide the jobs for the youths”. It says:

A future PNM government will be able to provide jobs for the youths, Political Leader Patrick Manning said on Saturday as he addressed the Party's Youth League at its annual conference at Balisier House."
I continue:

"The youths of this country were asking what PNM could offer them in the areas of jobs, he said, and he stressed, that this matter has been absorbing the party's attention since 1987 as it continued to revise its policies."

I quote him again, Madam Speaker:

"I am pleased to say that we see the ability of a future PNM government to provide jobs in the context of the policies of the past PNM governments."

That one did not make sense to me—

"A PNM government will use the resources of oil and gas to make a number of primary products which will be used as a starting point for downstream industries."

That, I imagine, will come in the second half of the budget.

The Express of August 10, 1990 headlined “Strike a blow for the small man, says Manning” states:

“The People's National Movement is calling on Government to redress the historical social imbalances in its urban renewal exercise.”

He was, of course, referring, I think, to the rebuilding of Port-of-Spain following upon the burning and looting after July 27, 1990. The article goes on to say that:

"In a letter from the Leader of the Opposition..."

Not me, Madam Speaker.

"and PNM Political Leader Patrick Manning to Acting Prime Minister Dookeran, said on Wednesday that the current situation provided an opportunity to strike a telling blow in favour of the small man. Noting that the social imbalance had been a major characteristic of the city of Port-of-Spain's unplanned development, Manning suggested that the designs for redevelopment should include a large number of small shops. These will provide outlets for the growing number of small businessmen and enterprises who are in the process of emerging from the status of the historically dispossessed people of our society, Manning's letter said."

He is almost sounding like me. But that was before the election. Now, however, that the reins of Government have fallen into his hands there is complete silence on this matter. Now that the Chairman of DOMA is now in the PNM's corner,
having been appointed a PNM Senator, we shall wait with bated breath to see the implementation of this policy.

This is not the only occasion that the Budget is silent when compared with pre-election utterances. The *Express* article of October 8, 1991 headlined “Manning: Pay that $50 million backpay states:”

“The People's National Movement (PNM) Political Leader Patrick Manning has called upon the Government to use its enhanced revenue from the increase in oil prices to pay sugar workers backpay owed to them and to restore Cost of Living Allowances and the 10 per cent cut in wages to public servants.”

At the time, he was speaking to the annual conference of his own constituency. He said:

"What is standing in the way of the NAR to pay the $150 million legitimately owed to sugar workers?"

“Manning said that his call for Government to meet its obligation to those it owed was merely to preserve good industrial relations climate in the country."

I want to tell him now that the NAR beat him to the restoration of the 10 per cent cut to public servants, and he has already decided to pay the COLA and the two per cent from March this year. But the budget is amazingly silent on the $150 million owed to sugar workers. If that was an omission then it was a tragic error. It raises added foundation for alienation and for allegations of discrimination and, possibly, racism. The Government throws away yet another opportunity to forge national unity and total mobilization of our human resource, without which, I warn you, there is no hope for economic recovery regardless of the economic plan.

The public servants, before the budget, were demanding from the NAR Government, payment of 40 per cent backpay due in cash and payment of the balance to be negotiated. You agreed with that position then. Do you still agree with it now? What is the position now?

Madam Speaker, I can go on multiplying these acts of prevarication, lies and deceit, but I fear that with the euphoria of victory still ringing in the ears of the PNM supporters, my efforts may fall on deal ears. When this budget begins to bite and bellies begin to become empty, it is said that there is a tendency for heads and hearts to get softer and more receptive. I shall save my further comments on this aspect for that time.
As I indicated earlier, what I have been doing is examining critically the PNM budget in the context of a PNM ideology and parameters set by them. Even so, we have illustrated that the budget proposals have not been well thought out and are sometimes ill-conceived, having regard to its stated objectives. Perhaps the most significant omission in the budget is the fact that it fails to make mention of the expenditure side of the proposals, either on the revenue or capital account.

If the basis of a budget is an account of its revenue and expenditure, then any shortfall between the two should be explained. The income and shortfall were included in the budget speech, but the Minister was deafeningly silent as to the details of expenditure or how the money was going to be spent. To get some idea of that, one must go to the Draft Estimates of Expenditure for the year 1992, where despite its woeful inadequacy, the reader will discover a frightening situation of mal-administration and unacceptable standards of prudent management.

Overall, 29 per cent of expenditure in the 1992 Budget will go for personnel expenses, 26 per cent on debt servicing, 14 per cent for development programmes, 10 per cent for current transfers and subsidies and 6 per cent for minor purchases of equipment, goods and services. When you look at the individual ministries, you will see that most of the moneys allocated to that ministry will be spent on personnel expenditure, with little or nothing allocated for development in some of those ministries. For example, Ministry of National Security has been allocated an expenditure of $568,494,380—88 per cent will go on expenditure for Personal Emoluments, 2 per cent for development. Ministry of Agriculture, $342 million—48 per cent on Personal Emoluments, 16 per cent for the Development Programme; Education—80 per cent of the $843 million will go on Personal Emoluments; 7 per cent on Development; Health—58 per cent on Personal Emoluments, 11 per cent on Development; Ministry of Labour and Co-operatives, unless I am reading the figures wrong, of the $17 million, 70 per cent will go for Personal Emoluments, none for development; Ministry of Energy and Energy-based Industries, 70 per cent for Personal Emoluments, 2 per cent for Development Programmes; Ministry of Works and Transport—of the $588,158,071, 60 per cent will go for Personal Emoluments, 11 per cent for the Development Programme.

My point is that the proportion of expenditure being set aside for development is extremely small. In short, there is going to be little development in 1992. This
lopsided pattern of expenditure will impact negatively upon the budget proposals. For example, the Government wants to encourage motorists to use compressed natural gas as an alternative fuel. In order to achieve this objective, there is need to install more than 10 new outlets. There are only two at the moment. But even more important, Government should set the example by converting its own vehicles to CNG, particularly PTSC vehicles. This should lower the cost of conversion to the public and develop the necessary skills in this area. Also, it may provide the confidence in others to change from one system to the other.

Having examined some of the budget proposals, I want to repeat a point that I have been making for years. Proposals for economic development do not succeed because they are mathematically or logically sound. They succeed only when they have the support of the people. Not merely the numerical majority, but the consensual majority of the people. All economic and social development, it is said, is about people. It is for them and will be implemented by them only if they feel that it is in their interest. If you do not have their consensus you cannot succeed. You need national consensus, whatever the plan. But to have national consensus you must first have national unity. You will never get national unity if large sections of the population are alienated whether in fact, or whether they perceive themselves to be so alienated.

You need to have national consensus on what the nation's goals are; what is the function of the state and what is the role of the Government. We must agree that in any modern society the function of the state is to ensure that every citizen has at least the basic necessities for a decent life, at least food, clothes and shelter. If there is consensus about that, then priorities automatically fall into place and this budget would have been a different budget. When consensus on our goals is established and our priorities are ordered, then and only then will a nation united be prepared to undergo the sacrifices which are necessary to achieve those objectives. National unity and national consensus are issues which we cannot avoid, not now and not later. The failure of the hon. Minister to recognize this vital fact is probably one of the severest weaknesses of the budget speech. He comes near to it. Sadly at the end of his budget speech when, in recognizing the formidable challenge we face, he says:

"The task before us is not easy and cannot be accomplished in a short time. We must understand, however, that to raise our living standards we must become competitive in the wider world. This we can achieve, but only through diligence, discipline, thrift and a spirit of enterprise."
He then calls for discipline, production and tolerance in the communities and the workplace, school places, and places of worship. But, Madam Speaker, he leaves out the most important requirement for a successful programme: equality and equity; truth and justice; respect and fairness for all. These are the qualities of a caring Government. At this stage of our development, a budget is not entirely a statement of account of the Government's proposed income and expenditure. It is not. Much more is required. It must contain categorical statements and concrete proposals for introduction of new mechanisms for ensuring that all citizens will be treated justly; that they will be free from discrimination; that there would be accorded to them what is their due—not as a favour—but as a right.

People will only accept to stand in queues when they feel sure that they will be served fairly when their turn comes at the head of the line. Only then will the Government get the necessary breathing space to effect structural change. Our citizens must be told the truth from the outset; and the truth is that if they want to achieve and sustain a high standard of living, they will have to work for it. There will be no handouts. Because, in the end, there are no free lunches. Somebody pays. No one can reasonably expect the hungry, the naked, and the homeless to join in the task of nation building, when there is no hope for a better life at the end of their misery.

For a Government that claims to be caring, this budget is lacking in spirit. It is without inspiration, even without hope. What we need is a new approach. Our people are crying out for change. For example, we are all aware that our debt servicing burden is a problem and there are not many alternatives open to us. We have to pay our debts and the quicker we get out of the debt trap the better. Let us, therefore, mobilize our people and get out of the debt trap. We may reschedule, if we can, or we may pay on or before schedule. In any event, there is going to be suffering and hardship. But if we can only unite our people, take them into our confidence, agree upon a method of getting out of the debt trap, sharing the burden as we go along, we can transform that sacrifice into a labour of love. It is this lacklustre budget that has succeeded in depressing everyone. The real issue now, is how do we unite our people, having regard to our historical antecedents, our racial and cultural differences, our intense plurality? How in this complicated scenario do we achieve national unity and national consensus?

Long before the election results were declared, we in the UNC said that even if we won a majority of seats, we would seek to forge a Government of national unity and national consensus. It is now history that the other parties rejected that
approach. That is their right. They suggested no alternative, however, because they prefer to operate in the traditional syndrome of antagonism, suspicion, manipulation of the people and the politics of race. We reject that approach and say that as an independent people, we are in duty bound to search for and to devise new political institutions to meet the needs of an emerging nation.

Even at this stage, we call for the setting up of an Equal Opportunities Commission as one of the means of tackling the problem of alienation and withdrawal of national enthusiasm. If, as Minister Saith said some time ago, that the PNM has a mandate to rule, we say that is exactly the arrogant statement made by one Richardson, former PNM Attorney General, as his Government ruthlessly squandered and pilfered some $60 billion of the nation's patrimony. Let us ensure that it does not happen again.

We therefore call for the establishment of a series of joint select committees of both Houses of Parliament which would monitor the performance of the Government on a permanent basis, one that would receive and deal with allegations of corruption, including discrimination, one that would investigate the use of state funds and property for partisan political purposes, one that would monitor and report on monopolistic and unfair practices in the economy.

In conclusion, I offer some gratuitous advice to what is really an old Government in new clothing. For the past decade this country has been searching for change. In 1981, they thought that following upon the death of Dr. Eric Williams, the George Chambers regime represented change. When that turned out to be mere exchange, the people annihilated his government in 1986 and gave the NAR, under A.N.R. Robinson, an overwhelming victory. When he also turned out to be exchange, they decimated his government in 1991. They have now put in office the new PNM which they believe is change. If perchance they should come to the conclusion that this too is not change, the kind of change they have been longing for, then the consequences are inevitable.

It is a pity that the new Prime Minister should begin his career by trying to convince the population that it is going to be business as usual; that there will be no real change in the way things were done in the past. What at this stage appears to be an asset, his “nice boy” image, may well turn out to be his greatest liability, if it is eventually seen as a cover-up for fear of taking decisive action.

Generally, the electorate is in its highest state of readiness for change soon after the election of a new Government. They expect it. Indeed, they voted for it.
It is the group that fears change in the *status quo* that will advise the new Government not to rock the boat. They are the ones who will benefit and who have been benefitting from things as they are. They use their influence to prevent change. They have always done that in the past. It is now clear whose advice this Government is taking.

From the way things look, the new advisers seem to have already wormed their way into the bowels of the new political directorate and have captured the seat of power. They have left no room for the people of Laventille and John John and the East/West Corridor. Where are they now? Where are the poor, the unemployed and the homeless now? Surely, not in the seat of power. Is that what some of them mean when they want me and my UNC colleagues in this House to support? If six months hence the answer of the people is still, yes, we, on this side, shall consider it. In the meantime, we stand as firm as a rock; firm in our conviction; never wavering in our performance of duty, because we are the alternative Government.

**Madam Speaker:** Hon. Members, maybe this is an appropriate time to draw the attention of Members to Standing Order 33(6) which reads as follows:

"Except with the leave of the Speaker, a Member shall not read his speech; but he may read extracts from written or printed papers or books in support of his argument, and may refresh his memory by reference to notes."

Having regard to the application made to me by the hon. Leader of Government and the hon. Leader of the Opposition, the newness of Members to this forum and the inexperience of Members to debates, I will hereby grant leave to hon. Members for the reading of the speeches during this debate.

**The Minister of Planning and Development (Sen. Dr. The Hon. Lenny Saith):** Madam Speaker, life is not fair. As I woke up this morning and looked at the day, I said to myself, “here you are, making your first contribution in Parliament and you are being asked to follow the hon. Member for Couva North, the Leader of the Opposition, whom everyone knows is a very difficult act to follow, especially since he is once more legally and morally in the position that he is well suited, the Leader of the Opposition, and the position I trust that he will continue to occupy for the rest of his political career.” In the year 2000 when he is delivering his reply to the budget, provided the Member for Couva South allows him to, I hope I would not be the one to follow him.
11.55 a.m.

If one were to respond to the reply of the Leader of the Opposition, merely in terms of histrionic or acting ability, I would not have been chosen. My colleague the Member for San Fernando West, I am sure, would not only have matched him, but exceeded him.

I guess I was chosen to bring some reality to the proceedings, to deal with facts and figures and not with flight of fancy, impossible dreams or instant solutions. There are no instant solutions.

I wish at the outset of my contribution, to put in perspective for the benefit of this honourable House and the benefit of the population, the economic reality which confronted this Government when it assumed office in December of last year and when it set about preparing a national budget. I think this is necessary because each of us needs to understand the nature and full implications of the severe constraints and difficult options with which the country as a whole must grapple.

Employment: There is no doubt in anyone's mind that it continues to be the most painful of our economic problems. In 1991 there was a reduction in the rate of unemployment. It went to 18.5 per cent as compared to 22 per cent in the previous year. But as the Minister of Finance indicated in his budget speech, and as repeated by the Leader of the Opposition, it is not a sustainable level of employment; it was due to a high level of funding to the LID Programme which cannot be sustained. Therefore, unemployment continues to plague this country and will continue to do so for some time.

Foreign Reserves: Our foreign reserves are critical to our development; they pay not only for imports of consumer goods, but also for raw materials and capital goods as well as for technical and financial services which are required in the development process.

I must underscore that there is much cause for concern over the fact that our foreign reserves position has worsened during 1991. By December 31, 1991, it is estimated that Trinidad and Tobago had suffered a loss of reserves of US $146 million over the preceding one-year period. The net reserves position at the end of the year amounted to US $425 million which represented 3.4 months of import cover.

Inflation: On the asset side of the balance sheet, it must be acknowledged that there has been success in containing inflation. As reflected in the Index of
**Retail Prices**, the price level rose by an estimated 4 per cent in 1991, the lowest level for several years. Clearly, if we can maintain this trend, the resulting price stability is likely to have a good effect on the growth of the economy.

Gross Domestic Product: Provisional estimates suggest that in 1991 the economy grew at the rate of 2.7 per cent in real terms. We are looking at the figures and we believe that these will have to be revised downwards. While it indicates that perhaps the economy has bottomed out, it is in the words of the Minister of Finance, "a very fragile situation". Even with that small growth in the economy, I wish to remind the honourable House, that compared to 1986 when the GDP at constant prices was TT $17.5 billion, the GDP in 1991 was $16.2 billion. If we compare these figures, I think it puts into perspective the magnitude of the challenge facing this country in the short and medium term.

Government borrowings from the Central Bank: The facts are that at the year's end in 1991, the Central Bank's overdraft to the central government stood at $1.469 billion, of which $316.6 million was in excess of the legal limit. At the same time, the Central Bank's holdings of Government securities amounted to $946.8 million, of which $929 million consisted of Treasury Bills. By comparison, the legal limit is $717.5 million. I make that point to indicate that not only are we facing as a Government, a serious problem of meeting the expenditure, but we must quickly reverse this trend of excess advances to the Government which are outside the legal limit.

Public Sector Debt: The accumulation of the public sector debt, both foreign and domestic, has escalated significantly over the last five years. The stock of outstanding public sector external debt is estimated to have been US $2.391 billion at the end of 1991 compared to $2.5 billion and $2.064 billion in 1986. Increments to the stock of public sector external debt in 1991 included loans from multilateral sources such as the IDB, World Bank, European Investment Bank, along with bilateral lending by the Export/Import Bank of Japan, primarily in respect of investment in the energy sector.

Despite some success in the rescheduling of some of the external debt obligations, the burden of debt servicing remains considerable. Since the beginning of the restructuring exercise in 1988, principal and interest in the amount of US $750 million have been deferred for settlement in instalments commencing in 1992 or 1993.

In the current fiscal year, it is estimated that TT $2.8 billion will be required to meet principal and interest payments on outstanding foreign debts, while TT $840
Appropriation Bill (Budget)  

Wednesday, January 22, 1992

61

million will be needed to cover the servicing of domestic debt obligations. It will be appreciated that these obligations pre-empt quite a considerable proportion of the revenues likely to be available to us.

12.05 p.m.

To the foregoing must be added, Madam Speaker, consideration of the accumulation of obligations to the Public Service as a result of the award of the court and the debt owed to Caroni workers. This obligation is estimated to be of the order of $1.7 billion dollars at the end of 1991.

The country remains vulnerable to adverse movement and the terms of trade of our principal exports, crude and refined petroleum products. I wish to draw attention to the trend in crude oil prices which we must now take as an example. In 1990 realized crude oil prices averaged US $25 per barrel. For the year just ended the average was US $22 and our projection for 1992 is just US $19 per barrel in what is expected to be unfavourable market conditions. That is the reality. We cannot wish it away, we cannot by rhetoric remove it. That is the reality and we must exercise considerable prudence and good sense in the management of what is undeniably a very taxing combination of economic circumstances.

As indicated by those observations, the capacity of the Government to carry through to fruition a capital programme will be constrained to a large degree by the unavailability of an adequate level of financial resources. Given that there are several claims on the Exchequer, many of which from a national point of view, could be given equal ranking, it is not always possible for the maximum requirements to be made to any particular claimant. Sure, everyone would like everything to be done at the same time. We know from our own experiences even in our own homes that we have to set priorities and we have to deal with the things that are most important first in order to deal with the little income that we have. It is against this background, that the budget allocates a total of $1,441 million for the 1992 Public Sector Investment Programme, including $88 million for state enterprises. Before proceeding with the details of this Public Sector Investment Programme, I wish to provide this honourable House with the framework within which the programme was designed.

The Public Sector Investment Programme for 1992 represents a continuation of efforts to strengthen the economy and improve the conditions for growth over the medium and long term horizon. Let me interject here by saying that we have inherited a Public Sector Investment Programme and in the short space of three
weeks it is not possible, even if one wanted to, to make significant changes in the projects that are already in the pipeline. What we propose to do is to carry out the programmes that are in train, using the remainder of this year to review, adjust and where necessary amend those projects which we believe can be amended.

Recognizing the critical importance of investment activity to the development process, every effort has been made in this programme to define a core set of priority programmes and projects structured to reflect national development objectives, in addition to whatever our sectoral strategies may be. It should be noted that in setting these priorities, the choices available to the new administration in this initial year of its parliamentary term may have been necessarily circumscribed by the pipeline of projects which it inherited and the commitments established by current contractual obligations which we must honour. However, as far as possible, efforts have been made in the formulation of the programme for 1992 to be responsive to major economic and social imperatives. For example, improvement in economic infrastructure continues to receive emphasis with significant allocations for the upgrading of roads, water and sewage.

Likewise, attention is directed to the strengthening of education and health services and to the provision of housing. Moreover, through the medium of directly productive investments undertaken by state enterprises this programme seeks to impact on growth capacity. I wish to point out that beyond these objectives every effort is also being made to ensure that the projects are designed and implemented in a manner compatible with the protections, preservation and enhancement of the physical environment.

In order to obtain the optimum return on projects, it is highly desirable that adequate attention is paid to their design and selection. To this end use is being made of funds available under an IDB Global Pre-investment Programme to facilitate proper project development and analysis. Pre-investment activity extends to sector analyses to assist in the shaping of the policy and institutional environment needed to ensure that investment expenditure is well directed and achieves the desired impact. In essence therefore, the PSIP is composed of a core of top priority projects which are to be implemented by central government agencies and statutory bodies. The core programme is divided into three tranches which I shall briefly described.

Tranch I projects: This tranche consists almost exclusively of programmes and projects which are financed through long-term loans negotiated with multilateral financial agencies. These projects have undergone extensive
examination at all stages of the project cycle and have evidenced high internal economic rates of return and satisfactory implementation plans. Under Tranch I projects the proposed expenditure in 1992 is $TT 3022.7 million dollars.

Tranch II projects: Projects listed in Tranche II are expected to incur an expenditure of $119.7 million and are either funded from domestic borrowing or from general revenues. In both cases serious commitment to their execution has already been made. These include instances where contracts have been awarded.

Tranch III projects: Tranche III comprises on-going multiple works projects concentrated mainly in the economic and social infrastructure sectors. These projects, the allocation for which amounts to $138.1 million, will be financed mainly from general revenues. The combined total of these three tranches which represent the aspect of the programme to be implemented by the central government is $560.5 million.

In addition to these three tranches there is a fourth category which entails a package of projects to be undertaken by state enterprises at a cost of $880.8 million. This package incorporates the major investment of these entities and will be financed to a large extent with the proceeds of external financing obtained by loans made directly to Government or Government agencies. The rest of the financing will be provided by government equity injections, domestic borrowing or internally generated funds.

From a global perspective it will be seen that the investment effort of the public sector totals $1,441 million and is approximately 6.4 per cent of projected GDP for 1992.

It will also be instructive to view the PSIP from another perspective, this time based on sectoral priorities and allocations. This serves merely to further emphasize the great deal of thought that was put into deriving the programme for 1992. In doing so a number of factors were taken into consideration; the most important of which were:

1. The public sector will perform a catalytic role in the promotion of capital intensive industries based on the optimum utilization of the country's natural gas and petroleum resources, given the pre-eminence of the energy-based industries for foreign exchange earnings and Government revenue.

2. Private sector activities in agriculture, manufacturing, tourism and services will be supported by adequate basic economic infrastructure supplied by public sector investment in roads, bridges, water supply, etc.
3 The Public Sector will promote human development through expansion and improvement in health, education, housing and community services.

12.15 p.m.

In a similar vein, shares on capital expenditure were based on the availability of projects with high economic rates of return, availability of necessary foreign exchange as negotiated through loan agreements with multilateral lending institutions, and the impact of projects in terms of the elimination or reduction of infrastructural bottle-necks.

The framework that I have just described sets the tone for the following sectoral analysis. I wish to deal with this in three parts, the first being the productive sector.

Directly productive projects to be undertaken by state enterprises will account for 61 per cent of expenditure in the PSIP of which projects in the energy sector will consume 59 per cent. The Government’s objectives in the productive sector are to expand and strengthen the economy by fostering investment activities and export expansion. For this purpose, the 1992 PSIP focusses on the energy sector which will continue to play a crucial role in the area of export earnings and will be relied upon to generate surpluses to finance quality areas of development in other sectors of the economy. The energy sector will be revitalized along with its major components—exploration, production, processing, construction and services. The development and expansion of downstream industries will continue, along with marketing opportunities for all energy products.

Notwithstanding the thrust in energy, the Government recognizes that the development of the non-oil sector is also of paramount importance. Accordingly, greater emphasis will be placed on this sector in order to stimulate diversification and generate sustainable productive employment. I repeat: generate sustainable productive employment. In this regard, Government sees the agricultural sector as being pivotal because of the urgent need to realize a drastic reduction in the food import bill. Achieving this objective demands that focus must be placed on increased production and diversification, which in turn will have a positive impact on employment generation and foreign exchange earnings. The major area of activity will therefore continue to be the acceleration of the rationalization of the sugar industry.

Economic Infrastructure: Secondly, the PSIP emphasizes the rehabilitation of infrastructure to support economic growth and this can be gauged from the
sizeable allocation of 17.9 per cent of total expenditure for 1992. In developing this programme the objective was to ensure that all investments are justified on the basis of economic criteria in keeping with Government's macro-economic objectives, so that priority of projects can be determined in the context of the overall financial constraints.

Economic infrastructural projects during this year will be dominated by investments in roads and bridges and water and sewerage construction programmes. Total investment envisaged for this sector in 1992 is TT $258 million of which water and sewerage projects alone will receive $46 million, 18 per cent of the allocation.

Social Infrastructure—Family: The proposed programme includes the rehabilitation of the health and education services, the construction of settlement and squatter regularization in several areas throughout the country. Approximately 18 per cent of the proposed expenditure for the 1992 PSIP has been allocated to this sector.

Investments in other social infrastructure include community development programmes and training and support for self-employment. This would enhance the marketability of unemployed young persons and provide work experience and post-training support in small business management.

In 1992 expenditure of over $260 million will be incurred in social infrastructural programmes, of which the sum of $78 million, 30 per cent, is earmarked for the settlements programme, $68 million for the education programme, and $71 million for health programmes. Allocations for health, education and settlements are the largest for individual sub-sectors, which is a positive indication of Government's commitment to human and social development.

I now turn to a more detailed analysis on the sectoral programmes.

Energy: The main projects in the energy sector for 1992 will be the secondary recovery of both onshore and offshore oil and oil refinery modernization for which external loan financing in the amounts of US $260 million from the IADB, US $42 million from the European Investment Bank and US $40 million from the Japanese Exim Bank has already been sourced. Local counterpart funding estimated at the equivalent of US $50 million is being provided by Trintoc and Trintopec while Texaco (Trinidad) Inc. will provide US $17.5 million as its share of the investment in the Trinmar Waterload Project.
With respect to secondary recovery of oil onshore, the estimated expenditure in 1992 is US $33 million. 62 per cent of this sum will be obtained under the financing available from the IDB and the Japanese Exim Bank loans. These funds will be allocated to the drilling of oil at Forest Reserve and the continuation of construction of the Point Fortin Cruise “E” Oilfield.

In 1992, the projected expenditure for the secondary recovery of oil, Trinmar's Waterflood Project, is US $36 million. 96 per cent of which will be obtained from the IDB and the Exim Bank. These funds will be utilized for the continued fabrication and testing of equipment.

The upgrading of the Pointe-a-Pierre refinery will necessitate this year an outlay of US $81 million; 90 per cent of this sum will be obtained from the EIB, the IDB and the Exim Bank. It is planned that work will commence on the construction of the sulphur recovery unit and a new vice breaker during the course of the year. The procurement and engineering of the new hydrogen plant and the environmental protection installation will also commence in this period.

Roads and Bridges—East/West Corridor Project: By August 1992, the East/West Corridor Highway Project from Golden Grove to O'Meara Road will be completed. This phase is 61 kilometres long and is being undertaken at an estimated cost of $41.4 million. Two contracts were awarded for the implementation of this project: one from Golden Grove Road to Mausica Road and the other from Mausica Road to O'Meara Road. In addition, at the O'Meara intersection, the north approach beyond the right-of-way and the south approach will be facilitated by a roadway accommodating two lanes of traffic. Expenditure in the sum of $25.3 million is expected to be incurred on both contracts in 1992.

12.25 p.m.

Repair of landslip to Solomon Hochoy Highway: The repair of this landslide which was long outstanding was commenced in 1991. By the end of the year the diversion route had been completed and construction of the structure commenced. The remaining works are scheduled to be completed by March, 1992. As I travel from San Fernando every day I keep an eye on that one.

National Settlements Programme: The Government of Trinidad and Tobago entered into an agreement in June 1990, with the Inter-American Development Bank for a loan of US $66.1 million for a National Settlements Programme, the total cost of which is US $82.6 million. The project involves inter alia:
(1) Development of approximately 5,000 serviced lots on approximately 16 sites to low-income beneficiaries;

(2) Provision of construction financing of up to $70,000 per beneficiary and support services in the form of standardized designs and technical assistance;

(3) Construction of approximately five community centres to be built on sites with more than 400 lots;

(4) Improvement of the living conditions of approximately 2,500 squatter families on 12 sites by regularization of land titles and infrastructure upgrading;

(5) Technical Co-operation for financing consultants to view shelter and land policy and the strengthening of NHA in the areas of financial management, technical planning and operational procedures.

To date, work has commenced on lots at Bon Air (West), Couva North and Harmony Hall. With regard to 1992, activity will be concentrated on those projects which have already commenced and those for which contracts were awarded.

In addition, the development of service lots at Debe, Phase Two, 177 lots; La Paille, 160 lots; Union Hall, 733 lots; and Malabar, 523 lots; a total of 1,593 lots which did not materialize in the last three months of 1991 will now be brought forward to the 1992 programme.

Construction of apartments: Construction of 76 apartment units for moderate income groups at Bath Street in East Port of Spain and Ramdial Mahabir Lands at Laventille should be completed by the end of the year. Design work on an additional 96 units at Ramdial Mahabir Lands and Almond Drive, Morvant, is also expected to be completed during 1992.

Primary education: The programme which was agreed with the IDB for the loan amount of US $36.8 million in March of 1987, comprises a specific component, the Learning Resource Centre and a multiple works sub-programme. The centre is now almost fully operational. With regard to the sub-programme, construction of 33 of the 36 primary schools which were scheduled under the loan has been completed, while construction on the Whim AC School, the La Brea RC School and the Tortuga Government School is due to be completed in early 1992. In addition, library rooms for 30 A-type primary schools have been installed,
while 368,000 textbooks have been supplied to 468 primary schools. Contracts have been awarded for the supply of library books to 112 B-type schools and tenders received for the supply of books for type-A schools and the Learning Resource Centre. These are programmes being undertaken by the Government of Trinidad and Tobago.

The restructured YTEP Programme, partly funded by the World Bank, will be continued in 1992 with an allocation of $24.7 million. A tracer study will also be utilized to follow-up on the progress of graduates from this programme.

Institutional strengthening of the health sector: The programme which is being partially funded with a grant of US $5.3 million by the IDB was agreed to with the Bank in April, 1991 and is intended to do the following: To carry out studies which are a prerequisite for a sector loan plan. These studies will relate to policy reform and rationalization from which appropriate proposals for policy development and institutional reorganization will be put forward. Additionally, proposals will also be developed for the creation and efficient operation of a National Health Insurance Scheme. In both areas, tenders were invited for the conduct of the studies, proposals have been submitted and these are to be evaluated with a view to awarding the contracts. Secondly, to complete commissioning of the facilities at the Eric Williams Medical Sciences Complex at Mount Hope, and integrate it functionally with other health care institutions in the country, a sum of $10 million is provided in the PSIP for 1992.

Arima Health Facility: In 1992, it is hoped that construction will commence on the Arima Health Facility, the estimated cost of which is $25.3 million. The sum of $14 million was provided for the programme in the 1992 PSIP. The Ministry of Works has short-listed tenderers, contract documents have been completed and tenders are to be invited shortly.

Global Agricultural Credit Programme: This project represents a line of credit which is being administered by the Agricultural Development Bank to assist farmers and agro-industrial enterprises.

12.30 p.m.: Sitting suspended.

2.00p.m.: Sitting resumed.

Hon. L. Saith: Madam Speaker, I want to take this opportunity to correct a statement made earlier in my presentation. The date for the Solomon Hochoy landslip, which was originally estimated to be completed in March of 1992, I am now told the estimated completion date is August, 1992.
The Global Agricultural Credit Programme: Madam Speaker, may I take this opportunity to put this whole capital programme that I am dealing with, in its proper perspective. I indicated at the start of my presentation, and I think it bears repeating, that we have a pipeline of projects in the Ministry of Planning and Development, some of which are on stream, some of which contracts have been signed and negotiated, some of which are in the planning stage. Given the fact that we have been here for three weeks, I do not think it is realistic to believe that we can just stop projects and move on. So that many of the projects that have been enumerated in this presentation are in fact, continuing projects which we have met and which we need to complete.

I just want to make that point so that there is an understanding of the constraints and perspective in which this programme is being developed. The Global Agricultural Credit Programme represents a line of credit which is being administered by the Agricultural Development Bank to assist farmers and agro-industrial enterprises in:

1. Project Preparation;
2. Capital investment for planting materials and building agricultural infrastructure, equipment, breeding livestock and transportation;
3. Repair shops;
4. Fishing vessels and gear;
5. Aqua-culture;
6. Fertilizers, food supplements and chemicals.

This programme is financed with a loan signed with the IDB in the amount of US $26.9 million. It is projected that TT $30 million will be drawdown from the loan in 1992.

Construction of the wholesale market at Debe: Financing in the amount of $7.5 million was provided under the FINCOR loan facility for the construction of this market. Construction commenced in 1990 and is scheduled for completion in early 1992. An allocation of $300,000 is provided in this year's Development Programme for its completion.

Access roads, bridges, rehabilitation programme: The Government of Trinidad and Tobago has approached the IDB for a loan of some US $28 million which will be utilized for the construction and upgrading of approximately 160
kilometres of agricultural access roads and the reconstruction of about 40 bridges in need of urgent repair throughout the country. The upgrading of access roads will also serve to improve conditions in the rural areas. Prior to the finalization of this loan, a study on the feasibility of rural access roads was requested. The report in respect of this study has been completed.

In addition, the final designs which were undertaken for about 30 per cent of the bridges are pending submission. It is expected that the loan will be approved in the near future, subsequent to which action will be taken on the early prequalification of firms to undertake construction, supervise the works and to prepare the final designs for the remainder of the roads and bridges. Physical work is scheduled to begin by mid-1992 and an allocation of $20 million is being provided in 1992.

Business expansion and industrial restructuring: The Government proposes to commence implementation in 1992 of a business expansion and industrial restructuring project for which the World Bank has approved funding amounting to TT $144 million, US $27 million. One major element of this project is a line of credit which shall be established with US $20 million to support business expansion in industrial and service enterprises in Trinidad and Tobago, except the primary producers of oil, gas and agricultural or livestock products. The credit programme is a necessary complement to the trade policy reforms, and will promote the development and/or restructuring of private manufacturing and services firms, enabling them to operate on a more efficient and competitive basis and especially to enter and compete successfully in export markets. The resources will be made available to the enterprises through local financial intermediaries, principally commercial banks and will be available for plant expansion and modernization, start-up expenses such as technical studies, product research and development and to a limited extent for incremental working capital requirements related to new capital formation.

In addition, the project entails establishment of an export technical assistance facility, which will be administered by the Export Development Corporation. US $1.5 million of the World Bank funds will be made available for this purpose. The objective of this facility is to encourage the expansion of exports. It will assist actual and potential exporters with export market research, promotion, and development drawn up in accordance with a credible export expansion plan. Under the programme, exporters can qualify for financial assistance by way of grants equal to 50 per cent of eligible expenditures. The Export Development
Corporation will work with individual firms and will provide assistance with the preparation of the export expansion plans.

Institutional strengthening is to be undertaken under the project at the Bureau of Standards and Cariri. Technical assistance will be made available to enhance the Bureau's capabilities to promote improvement in product standards. Cariri's testing facilities and laboratories shall also be enhanced to facilitate improvement in the provision of services in the area of chemicals and non-metallic minerals.

Strategic studies are also to be carried out as part of the project to explore options, including the role of private investment for the development and diversification of the steel and petrochemical industries.

In addition, the effectiveness of the new foreign investment regime will be assessed and initiatives drawn up for a more effective foreign investment promotion strategy. Having regard to the importance of sound environmental management in the promotion of sustainable development, steps are to be taken as well under the project to develop appropriate environmental pollution control standards for public and private-sector development projects.

At the same time, technical assistance will be utilized to strengthen public service human resource capabilities with respect to environmental impact assessments. Additionally, a pilot programme shall be mounted to establish a data base to facilitate environmental planning for development projects in south-west Tobago, Point Lisas and Chaguaramas.

Small Business Development: The loan guarantee fund is a key mechanism created for satisfying the loan requirements of small businesses which have been assessed as viable, but whose owners lack adequate collateral or a track record to obtain funds from commercial lending institutions. Under the programme, guarantees are provided to participating lending institutions such as commercial banks against loans made to small businesses. Government's contribution in 1992 will amount to $2.5 million.

St. Patrick's Water Supply: this project costing $51.3 million, of which $32.3 million will be supplied in the form of a loan from the EEC, involves the laying of distribution mains and construction of eight storage reservoirs. The project will serve to alleviate the problems experienced by the residents of the county of St. Patrick over a number of years through the improvement in the quality and supply of water to this area. It is anticipated that 80 per cent of the works will be
completed by the end of 1992, and an allocation for this project in the sum of $11 million has been made.

Interim Water Supply, Tobago: This project is designed to provide additional supplies of potable water in Tobago and to improve the reliability of supplies to areas in Leeward Tobago and along the Northside Road.

**Madam Speaker:** The speaking time of the hon. Member has expired.

*Motion moved,* That the hon. Member’s speaking time be extended by 30 minutes. [*Hon. K. Valley]*

*Question put and agreed to.*

**Hon. L. Saith:** Thank you, Madam Speaker. This project is being undertaken with the assistance of a loan from the Caribbean Development Bank which was signed in December, 1990 in the amount of TT $11.6 million. Total project cost is $17 million.

Reconstruction of the Natural Sciences Building at UWI, St. Augustine, the chemistry building: The project whose estimated cost is $15 million, involves the construction of a building to replace the chemistry building which was destroyed by fire in 1988. As of December, 1991, a total expenditure of $4.7 million was incurred. An allocation of $4 million is being provided in the Development Programme to finance completion works and the acquisition of laboratory equipment.

Financing the 1992 Development Programme: Madam Speaker, I now wish to turn to the financing of the overall programme which will total $1,441 million in 1992. The sources of funding for this programme will be as follows: Central Government programme, foreign multilateral and bilateral sources, $245 million; domestic financial institutions, $125 million; general revenue, $190 million; total $560 million.

For state-owned enterprises:—foreign sources, $598 million; local, $283 million; total $881 million.

It is anticipated that limited surpluses from Government's current account will be available in 1992 for development funding and multilateral institutions are expected to contribute only $17 million in grant funds as distinct from loan funds. Financing of the development programme in 1992 will therefore continue to be heavily dependent on loan financing in order to maintain a desirable level of capital formation necessary to stimulate economic growth and diversification.
Government's contribution to the overall financing of $1,441 million is expected to amount to approximately $216 million or roughly 15 per cent; Loan financing from domestic and foreign sources will, therefore, be needed to cover roughly 70 per cent of the overall cost of the programme, with multilateral agencies maintaining their role as major creditors by providing some 64 per cent of this total. Among them, the IDB will remain the major financier with some US $123.4 million, or TT $524.5 million, or 65 per cent of total external financing.

Overall external funds: External loans will fund approximately 41 per cent of the Development Programme, exclusively in respect of developments in the productive sectors or the economy. Local creditors will maintain their involvement in the programme by providing some $217 million or 15 per cent of the total funding required. This is much higher than their support of $100 million or seven per cent in 1991.

Although local financiers continue to provide funding principally for social infrastructure projects, investment in the productive sector for energy products is also being funded to a limited extent. Principal financiers of the sector, however, remain the international lending agencies. The anticipation is that approximately $245 million of Central Government investment programme of the $560 million will be funded from export credit facilities and grants and loans already approved or being negotiated with multilateral lending agencies, including the IDB, World Bank, Caribbean Development Bank and the European Economic Community.

The IDB is expected to provide 67 per cent of the financing from external sources in 1992 in the form of grants and loans for projects. In 1992, export credit financing, however, will not be as important a source of financing as in previous years. Domestic financing for specific programmes will continue to assume increased importance as the number of local financing consortia willing to make financing available to the Government for specific projects increases. These consortia now include Fincor, the International Industrial Merchant Bank and Maritime Life (Caribbean) Limited. Domestic financing will contribute an estimated $125 million or 22 per cent of central government's investment programme expenditure in 1992.

In summary, approximately 66 per cent of central government's development programme of $560.6 million will be financed by means of loans and grants for specific programmes and projects.
The state enterprises sector in 1992 will again be dominated by the energy projects and will require approximately $598 million or approximately 68 per cent of its costs to be financed with foreign borrowing.

Before closing, Madam Speaker, I should like to highlight some of the activities which my Ministry will be pursuing during the course of the year. The Town and Country Planning Division, for example, will be concentrating on the completion of the Report of the Survey in respect of the National Physical Development Plan, in addition to finalizing the Land Use Plan for key urban areas such as San Fernando and Point Fortin. The Division will also be involved in either the preparation or completion of specific regional plans.

Other areas of activity will include one:

(1) the identification of two or three new development projects for implementation by the private sector;

I want this division to become pro-active, to get out there with the private sector, identify development projects and get them off the ground. Every time I talk about development projects, what I am really talking about is jobs.

(2) promotion of the redevelopment of Queen Street, Port-of-Spain, between Frederick and George Streets;

(3) preparation of guidelines for development to small businesses and cottage industries in residential communities and in rural areas;

This again has been a sore point with some of the approvals that come to Town and Country Planning. We are trying to re-focus them on the fact that many jobs have to be created by small businesses and by cottage-type industries and these have to take place where people live, especially in the rural areas.

(4) completion of work by the inter-disciplinary committee for development of a policy on advertisements.

I have also taken steps to appoint a task force in keeping with our manifesto promise which will review the mechanism for expediting the approval process in respect of the development proposals. I wish to have that process of approvals speeded up, so that the time between the submission of a plan and work can be reduced to the minimum.

In the Lands and Surveys Division, we will be initiating an aerial survey and mapping project in 1992. The last comprehensive mapping programme for this country was carried out in 1969. Consequently, most of the maps and other
material available at the division are based on very old data which do not reflect the significant demographic and economic changes that have taken place, and this has hampered activities in areas of national importance.

The project comprises:

(a) the initiation of programme of comprehensive aerial photography of Trinidad and Tobago in order to provide an information base which will assist in the development process;

(b) to the acquisition of equipment to extend the survey control network to include the far offshore areas under oil exploration licences. We have old maps of the country, but we do not have maps that stretch out now to where they are doing oil exploration. The sum of $900,000 is provided for the start of this programme in 1992.

The Ministry, is also in the process of preparing a Land Acquisition Bill for introduction into Parliament. I do not have to emphasize the importance of proper land acquisition legislation and a proper means of acquiring lands and paying for them, speedily. Preparation of this Land Acquisition Bill will involve the completion and submission of the report of the team of officials appointed to consider and made recommendations on the comments received on the draft Bill which was published for public comment during the period July 10 to October 11, 1991. It is anticipated that the team will complete its work within three months. When that is done, I expect the draft Bill to be amended by the Law Commission in light of comments received and then to submit the Bill for the consideration of the Cabinet and to complete and bring it to Parliament this year.

Institutional strengthening in project management. Another major initiative being undertaken by the Ministry of Planning and Development is the mounting of a US $2 million technical assistance programme in project management, towards which the IDB has contributed US $1.67 million. We are doing a number of projects in this country and unless we manage them properly, unless we get effective control, effective reporting systems and effective analysis, we run the risk of spending money badly. Towards that end, the objective of the programme is to upgrade and expand the operational capability of the Ministry of Planning and Development and other ministries and agencies involved in the planning and project management process, to enable them to formulate, implement and manage development projects efficiently.
The programme will be undertaken over a two and a half year period and will contribute to improvements in the preparation of the Government's development programme and the establishment of a national system for identifying, evaluating and ranking investment projects in order of priority. It will also provide for implementing and monitoring of projects and the activities will be supported by a computerized database and result in an information system for public sector projects.

2.25 p.m.

Four national courses in project preparation, management and appraisal are proposed and we hope to train 120 professionals over a two-year period.

Two broad areas of work are being undertaken.

1. the strengthening of the Ministry of Planning and Development and other ministries in economic and financial analysis of projects and general investment planning. The capability of the Ministry to coordinate investments planned by other ministries will also be improved.

2. the establishing of an efficient computer system to support investment analysis and project management.

Another related activity to be undertaken will be the estimation of national accounting parameters at efficiency prices for the economy. These prices will be used for evaluating the economic viability of public sector projects across all sectors of the economy. The programme will also cover hands-on training and supervision of consultants in the preparation of appraisal reports for actual investments to be made by executing agencies.

The services proposed will include 72 man-months of project economists; 8 man-months of a national accounting economist; and 12 man-months of programming services and software. The programme co-ordinator commenced work in mid-1991 and we expect to have the rest of the staff in place during the course of this year.

Efforts are also afoot to obtain the services of consultants for the design of a project management information system and for the estimation of national economic parameters for project evaluation.

I cannot emphasize too strongly the need to get our project management capability both in the Ministry of Planning and Development and underlying ministries strengthened to ensure that our projects are properly managed.
Finally, Madam Speaker, we will undertake a thorough review of all projects now on stream or in the planning pipeline, to ensure that they conform with the policies which we have articulated in our manifesto. I expect that changes will have to be made but it would be irresponsible to simply stop projects now, pending the benefit of that study.

An effective capital development programme is a basic necessity for creating jobs while it is taking place and for putting the infrastructure in place for creating jobs in the long term. To prematurely stop it now would be the height of irresponsibility.

The road ahead is difficult but we are a caring Government. I repeat: We are a caring Government and our actions are guided by that philosophy.

Mr. Panday: Scaring!

Hon. Saith: We are confident that with the understanding, goodwill, and co-operation of all citizens—no matter whom they voted for—we will succeed in improving their quality of life.

I thank you.

Mr. Trevor Sudama (Oropouche): Madam Speaker, if from time to time you see me sniffle or blow my nose, it is not that I am crying; it is just that I have the cold. But this budget is enough to make anybody cry, and after having listened to the last speaker, I think it is cause for national weeping.

First of all, I want to congratulate the Minister of Finance on the presentation of his first budget to this House. But I add, I merely wish to congratulate him on his presentation, gestures and all, and not for the contents of his budget. Given the reaction among the population at large, it is really a matter of speculation as to whether this is his first and last budget presentation.

In the same vein, I also wish to extend my congratulations to the hon. Minister of Planning and Development. I am wondering whether the word “Development” in his portfolio is not a misnomer. But let me extend my congratulations to him on this his first, valiant but unsuccessful attempt to defend the budget. Indeed it is an unenviable task to attempt to defend the indefensible, so he has my sympathy in this regard. I do not know if fate would be kind to him to afford him another opportunity at such defence.

What are some of the points raised in the Minister's presentation here today? Before I get into that, I must observe that his presentation lacked conviction. I am
sure he must have cast his mind back to 1986, and before. We have had the same story repeated here today—lack of conviction—merely the trotting out of figures and projects without indicating to this House what is the coherence between all these figures and projects into an integrated strategy to deal with our major and critical problems. We have had talk about economic realities. I am sure that if he, and his Government, had faced the economic realities in 1986, and before, we would have had a different economic reality here today.

We have had talk about foreign reserves loss in 1991. I merely wish to cast his mind back to 1986, when, in one year, if I am not mistaken, the loss in foreign exchange reserves was to the tune of US $400 million, by the rather hare-brained scheme of his Government to have a two-tiered system in foreign exchange. So, today in 1992 we hear about loss of foreign exchange reserves in one year.

Reference was made to the cost of living index. I should like to know from him, or from his Government, whether they have made a calculation as to what will be the cost of living index one year hence, or perhaps six months hence after the imposition of duties and taxes in this budget.

Then, we had the same talk about growth, and the question of Central Bank borrowing to finance Government operations. As I said, it lacks conviction. I will cast his mind back to 1986.

Then we had talk about the public sector debt, and talk about prudence—a government who has had billions of dollars pass through its hands in the 1970s and 1980s and what do we have to show for it? And he comes here to talk about prudence. “Prudence” is also the name of a woman.

We had talk about the Public Sector Investment Programme and he has given us some idea, some delineation, of that Public Sector Investment Programme. I wish we had these figures beforehand so we could have studied them and we could have identified from those figures what in fact are really formalities and what expenditure will augur for real and true development in Trinidad and Tobago. We are told that in the Public Sector Investment Programme, the public sector is supposed to play a catalytic role in energy projects.

We have also been told that all of these projects have been identified and analyzed to have a high economic rate of return and most of them are in the energy sector. If he casts his mind back before 1986, there were also projects which were deemed, at that time, after what was called “careful analysis”, to have high economic rates of return so that the expenditure involved, the debt, and the
borrowing involved in the financing of those projects would have been serviced from the returns of those projects, and yet at the end of 1986 we were left with the phenomenal public external debt of US $2,039 million which could not be financed simply because those projects on which the Government had embarked did not, in fact, actually achieve those rates of return. So why is it we should believe him, and the new PNM now that their analyses and the projects in which they are about to engage will, in fact, bring the desired rate of return in order for us to service our public external indebtedness. It will take much more to convince this country and this Parliament about the realities, and the new realities, which the hon. Minister is supposed to address.

2.35 p.m.

Then we had talk about diversification of steel and petrochemical industries. Steel and petrochemical industries have been here with us for over 10 years, almost 15 years. Could the hon. Minister tell us what diversification has been achieved from the steel and petrochemical industries in terms of downstream products over the last 15 years? You are coming to tell us now that there is going to be diversification. What prevented you from having diversification before if, in fact, that was a viable option? So, I do not want to spend too much time on the honourable Senator. And he sounded in this House as if he was reading a bureaucratic brief and reminded me of his predecessors, who used to come into this House and read out the figures, and talk about projections and economic rates of return, and the bottom line was, there was neither return nor was there growth, and all he had was an economy which was retrogressing.

Mr. Panday: Handing-over ceremony—retrogressing.

Mr. Sudama: I do not want to spend too much time on him because there will be a lot more time in the future to deal with these inconsistencies and, perhaps, if I may even use the word, deceptions. Contrary to the claim of the Minister of Finance that he seeks through his presentation, to establish a relationship of openness and candour with the population, this budget, as has been mentioned before, incorporates a significant degree of deception, prevarication, subterfuge and omission.

Indeed, when viewed in the light of the election promises, one can only come to the conclusion that the fiscal measures introduced in this budget are an act of betrayal of the small man, the little people for whom the PNM professes to care so fervently; an act of gross betrayal. The low and middle income groups have
been virtually smothered by an avalanche of taxation which has left them in a state of numbness.

**Mr. B. Panday:** Such language, man!

**Mr. Sudama:** This has been a double-fisted budget. One fist of indirect taxation being levelled at the population, the other fist of direct taxes. After this fiscal onslaught by the ruthless man, thousands of our people will be engaged in an unprecedented struggle for mere survival. But the political strategy in this budget is very clear, in that the Government has decided to pull the noose tightly around the necks of the population now so that a slight relaxation in the future, that is, near to an election, it is hoped will be perceived as the bestowal of a great favour.

**Mr. Palackdharrysingh:** Classical PNM.

**Mr. B. Panday:** They are forgetting we are here.

**Mr. Sudama:** And if we examine the arithmetic of this budget, we—in fact I have come to the conclusion that some of the premises on which the figures are based are rather dubious and unrealistic. One might even say that the figures have been fudged and what we have had here is an exercise in fudging. I did not say “forgery”—I saw the Member for Diego Martin Central looking at me.

**Mr. Valley:** I was not looking at you—I will have to keep my eyes on you.

**Mr. Sudama:** As I mentioned, the numbers are rather curious. Let us, for example, take the projection of the price of oil which we are boldly told will be US $19.00 in 1992. If we cast our minds back to 1991, there we were told that the oil prices for Amoco and Trinmar crudes would have been US $22.00 a barrel and for the rest US $18.00 a barrel. But, that was a different scenario in 1991. We are faced with a new scenario in 1992, where in the international situation Iraq and Kuwait are going to increase their production, where the Saudis are determined to keep the price of oil low in pursuance of the election efforts of President George Bush. We here in Trinidad and Tobago are projecting for an oil price of US $19.00 a barrel, which I imagine takes into account the Amoco crudes and the Trinmar crudes. Our own assessment on this side, Madam Speaker, is that if you get US $18.00 a barrel for Amoco crudes and Trinmar crudes, you would have done well in 1992 and if you get US $14.00 a barrel for the other crudes, again, that is a more realistic assumption. Therefore, the estimates for the revenues from petroleum in this budget, in my view, are rather unrealistic.
This budget is based on a volume of production in 1992 which is the same, they say, as has been the case in 1991. But what is happening over the years is that there is a declining trend of 10 per cent, more or less, over the last few years in terms of volume of production, and we would expect that to continue in 1992. Has the Government any idea how the volume of production will be increased; whether the Waterflood projects at Trinmar will come on stream this year and will benefit the production aggregate; or whether the steam injection projects in Forest Reserve will also come on stream this year to boost the oil production aggregate? Perhaps you all could have told us. They ought to let us know this, rather than to come here and try to convince this House and the country of volumes which are unrealistic and which in fact do not address the economic realities, which my hon. Friend has indicated they are concerned about. So we question the reliability.

I am also a little nonplussed, about the overall financing of the expenditures, both the current and capital. It is only today we have been told that the Government intends to drawdown moneys from the multilateral agencies, particularly from the IDB and the Exim Bank to help finance this budget. But I do not know where that comes into the picture. Because if we have a development programme which is scheduled for an expenditure of US $1,441 million, I want to know how that is reflected here. Because from what I see in this estimate, from the capital account, the development programme expenditure is going to be $636 million.

What has happened to the other $546 million? Is it brought into account here, or elsewhere? And then on the capital revenue receipt side, I am seeing a surplus—

2.45 p.m.

Mr. Valley: Madam Speaker, if the hon. Member would give way just on a point. I can understand his difficulty. It is simply that some of the projects, for example the IDB project, are a flow-through, and so are not included there.

Mr. Sudama: Perhaps if we could have been told this in advance, it would have made much more sense. But here we are given figures and we are told that these are the—I take it that this was prepared by his Ministry and this was not intended to deceive Members of this House and that we are entitled to rely on these figures.
Mr. Valley: Madam Speaker, that is why I provided the information to the hon. Member.

Mr. Sudama: Does he provide information only when he is questioned? Does he not have a duty to provide information prior, in the interest of candour and openness, as his Minister claims?

I should like to know, this capital revenue which is coming in on the revenue side, of a surplus of $304 million, what does this reflect? Does this reflect sale of Government assets, sale of the divestment efforts? Does this reflect in any way the loans that we may be getting from overseas? What exactly is this? Then on the basis of this we are to have a financing gap of $1.561 million, of which we have been told, $500 million will come from domestic borrowing; we are told US $40 million will come from the World Bank structural adjustment loans, and of course the rest, I presume, will come from the international capital market and the multilateral lenders. I still question the accuracy of these figures with respect to financing of the deficit.

But I must say a word about the US $40 million structural adjustment loan form the World Bank, which my good Friend, the Prime Minister and Member for San Fernando East inveighed against when he was sitting on this side of the House, and told this House that for a mere US $40 million or TT $170 million, given the conditionalities attached, that we would have been giving up our economic independence merely to get this loan for the purposes of structural adjustment. Now that he sits on the other side, suddenly this loan has become acceptable. So again I question the credibility of Members when they sit on that side.

Then we had talk about fast disbursing loans from the IDB, grants from the new multilateral investment fund, but the Minister did not favour this House with an estimate, or how much we are supposed to get from these options. Furthermore, he says he is going to have tax-free savings bonds, tax credit on net increase in Unit Trust and credit union holdings; the allowance for home-owners for repairs, and yet he might have favoured us with telling this House how much revenue has been foregone as a result of these measures which he proposes in 1992. So again, either it is an act of prevarication, omission or deception.

Then we have these much touted stimulative measures that he has indicated. I am still at a loss to know how some of these measures will stimulate this economy. How is the removal of motor vehicles from the negative list and
revision of the motor vehicles tax structure going to stimulate this economy? To what extent will the other measures, the allowance for home-owner repairs, stimulate this economy?

Therefore, this budget really has not addressed the question of growth or the continuation of growth in the economy.

We had a very curious statement in the budget that they are going to borrow from non-bank financial sources, and therefore that would not affect the banking system or the resources available to the banking system to lend to others. Surely, if you borrow from non-bank financial sources who would have their accounts at commercial banks and they withdraw in order to meet your purchase of bonds, or whatever else you may float, surely it is going to reduce the resources available to the banking system on lending. How is this non-bank financial sector insulated from the banking system? I should like him to explain to this House.

But more fundamentally, the budget measures are not informed by a new perspective and therefore cannot point to a new direction for our economy and society. It is bereft of ideas on constructing a foundation on which economic growth and societal welfare can be achieved.

We are not talking here about instant solutions only. We are talking about constructing a platform, a foundation on which economic growth and welfare can be achieved, and he has given no indication how that is going to be done. So that we have come to the conclusion that this much touted new PNM is but a facade, as the hon. Leader of the Opposition has mentioned this morning. What it really is, is the reincarnation of the fossilized thoughts of the old PNM, because there is the same fixation with the level of foreign exchange reserves, and we are all invited to pay homage at the altar of foreign exchange. Not that an acceptable level of foreign exchange reserve is not important, but the question we should address is how to mobilize the proper mix of overall production and influence the level and content of domestic consumption which would result in an adequate level of reserves. That is the question which ought to be addressed, and not the question of foreign exchange reserves in isolation.

2.55 p.m.

Of critical importance is the rate of inflows and outflows of foreign currencies. That is, how to augment the inflow and keep the outflow within limits, to establish a proper relationship between the two. That is the whole perspective from where we are. It is the same focus on distribution designed to
placate selective constituencies and maintain the political and economic status quo above all else, and that is an age-old PNM tactic.

Apparently it has not dawned on this old regime, with a new cosmetic face, that Government is not only an agent of redistribution but also significantly it is a facilitator of production, and an initiator of progressive socio-economic change. But, as I look on the faces of the Prime Minister and his colleagues, I see conservatism written all over.

What the Minister of Finance and his Government need is not time, as he professes. What he needs is a new perspective. It is one which combines an external and internal orientation to the solution of our economic problems. Both an external and internal orientation. In other words, it is not only a question of utilizing our resources to obtain more and more foreign exchange which will then provide us with the wherewithal to import in greater quantities. It is also a question of mobilizing our resources to satisfy our own need to the greatest extent possible and facilitating the effective participation of all our people in the economic process. By doing so, we shall thereby reduce our foreign exchange reserves and move towards the fuller employment of our idle resources.

Such a perspective, however, imposes upon the Government, the need to influence the lifestyle of our people which will then determine patterns of consumption, both in the short and long term, and consequently on the range and scope of production. Such a new orientation lifestyle, we believe, can be achieved without eroding an acceptable level of welfare of the general population. In other words, the challenge is to identify alternative ways of satisfying our needs which impact positively on the economy. That is the challenge that this Government or any other government really faces in the 1990s.

In identifying the desirable objectives of sustainable growth, significant reduction of unemployment and restoration of an adequate level of foreign exchange reserves, the Minister of Finance appears unaware of the relationship between these objectives, and the need to develop an integrated strategy whereby the pursuits of one objective does not materially vitiate another. For example, we can achieve a significant degree of growth in import reliant capital intensive industries but which would have very little impact on reducing the level of unemployment. We achieved growth but no impact on unemployment. Or, we may increase our foreign exchange reserves at the cost of a reduction in the numbers of the unemployed. So, we need an integrated approach.
While we pursue multiple objectives, it is necessary that we determine the most urgent priority and devise a coherent strategy to deal with it in large measure while at the same time paying due regard to the achievement of the other objectives. It is a question of achieving the appropriate balance and effecting the required trade-offs.

We on this side have identified the most pressing problem in the country, as the high and unacceptable level of unemployment. The emphasis must be to create permanent jobs in the various sectors of the economy rather than the expediency of providing jobs for the party faithfuls in special employment programmes; a feature so prominent in the regimes of both the NAR and the PNM. That, I submit, is really the only route to social stability.

On the question of LIDP, we on this side hold the view that if in the short term we have to pursue projects such as LIDP and provide temporary employment, it must be projects to boost productive activity. So that you identify the projects which would then be fitted into the infrastructure framework to boost production and productivity in this country.

Now, in order to deal with this critical problem of unemployment, we have to focus not only on the volume of savings and investments. Certainly we do require larger volumes of domestic savings and greater access to the savings of foreigners—there is agreement on that. In fact, among other measures, a UNC Government will eliminate taxation on interest earned on savings in commercial banks, and other financial intermediaries, up to a total of $12,000 per annum and thereafter progressively, increase taxation but not greater than the rate of 20 per cent.

The level at which a society saves is a function of its lifestyle; its discipline, sense of responsibility and orientation to the long-term view. These are critical socio-economic variables which must also be addressed. If you look at the history of the PNM, it is precisely that these variables have not been addressed and you have a situation today where domestic savings are at a dismally low rate.

While the Minister talks about an increase in domestic savings, he seems to despair of that purpose, because on page 13 of the budget, he said:

"Various incentives will be provided to encourage private savings, some already included in this year's budget. But, given the magnitude of the task in the face of almost one out of every five members of the labour force already
unemployed, we must inevitably seek to attract a high level of foreign savings preferably through direct investment."

I have no problem with that, but obviously by the statement he despairs of any thrust to increase the level of domestic savings.

Of equal, if not greater importance is not only the quantum of savings; it is the nature and composition of the investment into which such savings are directed. This is something which the previous regime and the PNM regime have failed to acknowledge—the question of the composition of that investment. It will, therefore, be the duty of the UNC government to influence the pattern of private investment and to so apportion its own direct and infrastructural investment that a satisfactory overall balance is achieved across the various sectors of the economy and throughout the various regions of the country, notwithstanding an attempt to identify sectoral distribution of public sector investment by our good Friends, which really continues in the old pattern of the PNM.

3.05 p.m.

The unemployment problem in this country cannot be solved by concentrating investment, real or fictitious, as the PNM regime has done, on capital intensive industry at Point Lisas and in the energy sector to the virtual neglect and marginalization of other sectors of the economy. That has been the flawed history of the last two regimes, and such investment, for example, cannot mean that an expenditure of over one billion dollars on a methanol plant could provide only 160 permanent jobs. Not that we do not need large scale capital investments, but we cannot allocate the overwhelming portion of our financial resources to that type of investment, and then we hear regurgitated the same thing in the hon. Minister's statement that when you get the surplus from these investments then you take it and spend it in other areas of the economy. When you get surplus, if you get surplus, then you will invest it in other areas of the economy rather than make a direct investment in those other areas of the economy. It is a flawed vision, Madam Speaker.

As stated on numerous occasions a UNC government will place the necessary investment emphasis on agriculture, agro-industry, small and medium-scale production in the manufacturing and service sectors and down-stream products from the petroleum and natural gas and other industries. We have been asked time and again, where are these industries? I am going to indicate to them—the
Government, the party of which has been in power for 30 years, and have not had one down-stream industry established—some of the opportunities and some of the options: plastics, synthetics, proteins, petrochemicals such as paraffin, benzene, toluene and xylene.

From methanol we can go down-stream to laminates, abrasives, adhesives, solvents, lacquers, acrylics, power transmission fluids, emulsion paints, polyurethane foam and coatings and from urea the possibilities are melanin, wood coatings, paper making, sealants and textile finishes. These projects and investment operations are not of a large-scale nature, do not really require a great deal of capital but they have the potential to provide a large number of jobs for the same investments in capital intensive areas.

We know what we are about. The unemployment crisis is national in scope and affects all areas of the country, therefore a UNC government will also approach the solution from a regional point of view. We cannot solve the problem of joblessness in Oropouche or Nariva by establishing manufacturing activity in Port of Spain or Arima. The economic activity and job creation will be founded, though not exclusively so, on the feasible mobilization of such physical resources that are available in a particular region. It will be a starting point for regional economic mobilization.

Unemployment will not be alleviated solely by production organization on a large-scale basis but also on the establishment of a large number of small-scale or micro entrepreneurs and producers engaged in production for both the domestic and foreign markets. That has been the experience of the new industrializing countries of the Far East. A UNC government will create the infrastructure to facilitate such producers in terms of information and access to market, technology, finance and organization of production, etc. Now, while they have talked about it, one will also have to ask why this was not implemented in the last 30 years between 1956 and 1986. The hon. Minister was there in the bosom of the PNM before 1986—and do not try to give me this disclaimer today—and the Member for San Fernando East is a Cabinet Minister of long standing. Yet, what you did not do then, you want to tell this country you will do now.

We do not think that the EPZ is the way to go for a number of reasons. I do not want to go into that but we believe that will be ineffective in the solution of the unemployment problem but what we do say is that diversification of the economy along the lines that I have suggested will in fact, pari passu, go hand in hand with the creation of more jobs.
Some specific measures to stimulate investment in job creation by a UNC government, apart from references to approaches to become part of the North American Free Trade Areas and the establishment of an industrial city for foreign investors at Wallerfield, will also assist in that objective. We will undertake the introduction of an investment allowance across the board—and although they have mentioned investment allowances, the rate of which will vary according to industry and size of corporation, I am not sure that they can be taken seriously. We will devise a special allowance for enterprises which are prepared to locate operations in rural and depressed areas to deal with the unemployment there. We will institute a regime of accelerated write-off of old plant and equipment. We will encourage the establishment of a properly functioning stock exchange to more effectively, and more efficiently channel savings into investment.

We will establish a National Development Bank with a mandate to facilitate the flow of savings to productive ventures moreso those undertaken on a relatively small scale where the entrepreneurs have special needs. We will also revamp company legislation, about which nothing has been said here in this House, to facilitate foreign and local investment. We will put in place a new regime for foreign investment with all the necessary ingredients to attract those, but, particularly to make quick decisions and approvals for the benefit of the foreign investor, something in which we are definitely lacking, and which has caused over the last five years a number of investors to go elsewhere—this dilatory approach of the last Government to these pressing matters. We are convinced, that the revenue lost to the Treasury from these incentives will be compensated by revenues derived from increased economic activity and additional employment so that if they ask that question I want to provide the answer right away.

I come to the balance of payments and the level of foreign exchange reserves and related issues. I want to deal with the question of imbalance and the associated external accounts, the associated problems of the level of foreign exchange reserves within the overall framework mentioned earlier, that is, to maximize the inflow of foreign funds into the country and to minimize the outflow. To this end, we must expand the volume and value of our exports of goods and services and we are all agreed on that—expand the volume and upgrade the value of our exports of goods and services especially in the non-oil sector. However, we agree also that the challenges are admittedly formidable. We are in a situation where exports to Caricom, long regarded as a favoured market, has declined by 40 per cent in the first half of 1991. The establishment of trading
blocs and economic unions throughout the world and the unwillingness of
developed countries to open up their economies to competition from Third World
manufacturers, will make the task so much more difficult, in addition to which
the recessionary position in the United States at the current time is also a
worrisome factor.

I look at the Express of January 4, 1992—"Rich countries keep trading
barriers in place." So we have all these obstacles to face in stimulating our
exports but we have one avenue through which export markets to North America
and Europe can be encouraged. We must encourage our citizens resident there to
serve as a beach-head for this country. If we are to export more we have to be
more competitive in terms of the price and the quality of our products. This has to
do with inducing high levels of productivity, encouraging the creation or
adaptation of appropriate technology, placing greater emphasis on research and
development and the provision of adequate physical infrastructure. Towards this
end a UNC government will upgrade and expand the work of the Export
Development Corporation and give more resources to it to provide an accountable
grant to exporters. We have heard mention of that. We are in agreement with that
but it must be satisfactorily monitored because you have to ask the question: If
these measures were in place, why have they not achieved the results?

3.15 p.m.

Madam Speaker: The speaking time of the hon. Member has expired.

Motion made, That the hon. Member's speaking time be extended by 30
minutes [Mr. R. Palackdharrysingh]

Question put and agreed to.

Mr. Sudama: I thank Members of the House.

To continue, we will provide an accountable grant to exporters to access new
markets for new products as well as new markets for old products; to provide
assistance for costs incurred in genuine research and development work to
targeted exporters and provide an input allowance for exporters utilizing local
inputs into their operations above a certain determined level. That is to be an
incentive to use more and more local resources in our production effort.
As regards foreign exchange inflows, a UNC government will also put measures in place to facilitate fully, such inflows, particularly of direct investment. It is a pity that the Prime Minister had not given such advice to his friends and colleagues in the late 1970s and early 1980s when the PNM Government was undertaking numerous major projects with Treasury funding, and borrowing mindlessly from foreign sources to leave a heavy legacy of liability on the external accounts. Today, we hear talk about foreign direct investment where the risks are undertaken by the foreign investor. Apart from creating an active environment for investment, a UNC government will ensure that procedures are streamlined for speedy decisions and approvals to be made.

Now, we have spoken so far about inflows and the various facets of inflows to deal with the balance of payments position and in fact the level of reserves of the country. The maintenance of a healthy balance of payments and reserves position also depends on the measures to conserve the outflow of foreign exchange such as maximizing the use of indigenous resources in production, as I have mentioned before, and providing services locally which could have been sought overseas, such as appropriate recreational, health and hospitality facilities. If those are put in place in Trinidad, people will find less and less need to go overseas for those services and therefore we will conserve foreign exchange. As I said, it requires both an external and internal orientation to deal with this problem of the balance of payments imbalance.

More importantly, in the short term and during the period of stabilization, the UNC holds the view that a measure of control must be maintained over the outflow of foreign currency for the purposes of protecting the foreign exchange reserves. We see what has happened with the liberalization which went into effect last year, especially in the last two quarters of last year—significant reduction in our currency reserves over that period. A properly functioning allocating mechanism must be instituted and monitored and this is a matter for negotiation with the multilateral funding agencies.

I want to make the point clear that we are committed to supporting the Government on fundamental issues which are of benefit to the population at large and therefore, if appropriate negotiations are undertaken in this regard, you will have the support of the Opposition in order to give us time to get a more mobilized regime in place. In the medium and longer term, our party stands committed to liberalization of trade and foreign exchange transactions. Pitifully, however, confidence is still required to be instilled in the population that this
Government keeps its word. Confidence is required and the cause of reserve stabilization and accumulation cannot be served by loose talk about floating the currency. To this aberration, what we say, is that the UNC is opposed. I want to warn the country that should the Government decide to resort to IMF financing for balance of payments support in the future, the implications for the rate of exchange are clear to all and sundry.

Now, critical to the level of reserves, of course, is our public external debt situation, and the first question for the PNM Government to answer is: how did the Government and government-guaranteed debt reach the astronomical figure of US $2,065 million at the end of 1986? We had rigorous project analyses for economic rates of return; we had a framework, we had a thrust for diversification. We thought we had accountability and it happened that much of these moneys ended up in Panama or New York or Toronto or London or some other uncertain location. How or why? We are talking about a huge external debt today of US $2,390 million. That astronomical figure of US $2,065 million at the end of 1986 has in no insignificant way contributed to the huge debt service obligations of US $612 in 1992 and US $607 million in 1993. They cannot come here and absolve themselves from responsibility. The Member for Arouca South was here between 1981 and 1986, and my good Friend the Member for, is it St. Ann’s East?

Mr. Panday: You will regret you came back into this House.

Mr. Sudama: You were there, Ministers of Government. They want to absolve themselves of their responsibility. Because in those heady days we were led to believe that money was no problem, whether it was our own money or other people's money. Consequently, money was borrowed at whim and spent without accountability and today, we as a people continue to pay dearly for such PNM profligacy of the past.

During those years, may I remind my good friend from San Fernando East, the Prime Minister, that he was Cabinet Minister of the Government with Cabinet collective responsibility, and today, he has put on a new face, or attempts to do so.

3.25 p.m.

When the NAR came into office, we made it a policy that foreign loans should be project related and should not be negotiated, except where the returns from the project would be such as to adequately service the debt. Now we have heard mention of that from the hon. Minister and I am wondering, given the years of
experience from 1956 to 1986, whether that is merely ole talk and lip-service to this very fundamental principle of borrowing—that we are able to repay. Had that principle been rigorously followed, we would not be in the critical position we are in today with respect to foreign indebtedness.

But, we have very little option today except to pay the principal and interest obligations in full or seek a rescheduling of the debt in whole or in part. There are no other options. However, as far as I am aware, such rescheduling cannot be even negotiated without the IMF and the World Bank giving their stamp of approval to our trade, fiscal and monetary policies. If there is another way, such as the Government of Trinidad and Tobago unilaterally providing a letter of comfort to our creditors, perhaps the Minister of Finance and the Prime Minister would wish to inform the population in all candour and openness.

Not only is the foreign debt of significance. The domestic debt: in 1986, this debt was $1,552 million. At the end 1991, it reached $4,900 million, an increase of over three and a half times. If it is not the PNM A-team which incurred it, it certainly was the PNM B-team which incurred it. But I will not say much more about that, merely to point to the fact of the astronomical level of that debt.

Now I want to say something about the petroleum industry. My time seems to be rather limited—not in the House, but my speaking time. Let us take a look at the petroleum industry which is so critical to our fiscal situation and our foreign exchange position. For the immediate and foreseeable future, the revenues from the petroleum industry are vital to Government finances and the level of foreign exchange in the country. The industry has found itself in a declining mode and needs to be stimulated to maintain production levels.

Since I have limited time, I do not want to expand on this, I will expand on this at another time, but I want to inform this House that a UNC government will put in place the following and will take the following action: First, establish a stripper-well allowance to boost production on land; establish an environmental allowance about which we have heard lip-service again, for the upgrading of existing plants and installations; devise a special tax regime for marginal areas of production; expand the lease operatorship programmes and farm-out arrangements currently in place—I do not know what the current Government's position is on that—and to maintain for the time being the tax structure of the oil companies as it was in 1991.

We will also look into the question of lowering the tax structure for exploratory drilling and, very importantly, encourage the state-owned oil
companies to get involved in joint-venture arrangements outside Trinidad and Tobago, to explore and develop acreages—you have these activities going on in Surinam, Ecuador, Venezuela, Mexico, et cetera—by using our manpower, technology, and refinery capability as equity. So that what in fact we will be doing, is exporting services for the benefit of the oil industry generally.

With respect to natural gas, we are in a situation where demand is beginning to outstrip available sources of supply, that is actual supply, and therefore it is necessary to encourage the National Gas Company to engage in projects with local as well as multinational companies using gas as equity and indeed looking at the suggestion of net back pricing arrangements. We would also look into the question of rationalizing the royalty payments of natural gas used to bring it into line with the structure of royalty payment for crude petroleum. The revenues so forgone, we are convinced, will be compensated for by the revenues from increased economic activity and higher levels of employment, which is something in the forefront of our perspective all the time.

But in view of the critical importance of the energy sector and the heavy direct involvement of the state and large volumes of capital investment, I am today calling on the Government to produce a white paper on the basis of which public discussion could take place as to the viability of Government's energy policy. If you want to be open and candid, and if you do not want this public to view that statement as a false promise, then produce a white paper.

Let us have an open discussion throughout Trinidad and Tobago with all the energy interests concerned, in the Parliament here and elsewhere, so that we know and the country knows where we are going with respect to the energy sector and this astronomical capital investment. We are continually committing ourselves, IDB financing for most of what is going into investment in the energy sector. We are borrowing money which we will have to pay back and which in the past this Government has not seen fit to acquire the wherewithal to pay back.

So, I make this call and let us see whether the challenge will be taken up by a new, co-operative, humble Prime Minister of Trinidad and Tobago. I do not know if his humility will extend that far to being as open and candid, having been a former Minister of Energy himself, having presided over the downslide in the petroleum and energy sector over the years. Perhaps the least he can do is provide us with an apology for his misdeeds as Minister of Energy.

I want to say a few words about fiscal and monetary policy. One would assume that if there is need to stimulate the economy with the objective of
achieving growth, fiscal and monetary policy must be consistent with such an objective. In this context I see no problem in budgeting for an increase in the overall deficit. However, the fundamental question is: What is the level of the deficit? That is a question as well—but more importantly, how is the deficit financed? And even more importantly than that, on what is it to be expended? Whether on necessary infrastructure, on viable and productive economic activity. I have expressed my reservations on that question, the financing of the deficit, and if it is to finance the development programme of 1992, the Minister has given some indication, but I think we need further clarity on that question.

I want to also make the point, because we have heard a lot about financial indiscipline, monetary, fiscal discipline, and it was this very same Government in an act of gross irresponsibility in the days when money was no problem, when we had substantial revenues—look at what their deficit was. He was a Member of the government. In 1981—82, overall deficit, $2,346 million. I think the Member for Diego Martin Central was in the Ministry of Finance as a bureaucrat at that time and he was party to this irresponsibility; 1983, $2,216 million overall deficit; 1984, $1,655 million; 1985, $917 million; 1986, $1,013 million. And then when we look at recurrent revenues, we see, in 1982, $7 billion. You have $7 billion in recurrent revenue, but you have an overall deficit of $2,346 million. In 1983, $6,500 million recurrent revenue, deficit $2,216 million.

So that when we come to talk about fiscal indiscipline and monetary extravagance and so on, I hope that the Minister of Finance look at the history of his own Government over the period 1981 to 1986.

Our position on the fiscal situation is that this country, if it concentrates on expanding production, creating more employment, what we, in effect, would be doing, would be having a more lucrative and expanded tax base, and from a more lucrative and expanded tax base, you are going to get additional revenues. That is the perspective with which we would approach this problem of the fiscal inadequacies on the revenue side.

There are other options we can look at and I shall not go into those now, but one other area to which we have to give careful attention, is making governmental expenditure more productive. We must get more for the value of every public-sector dollar expended. We have in the past proposed a simple device. It has been ignored by the PNM Government, as it has been ignored by the NAR Government. A UNC government will change the fiscal year.
We are proposing a fiscal year starting October and ending in September so that you have three months to do your administrative and bureaucratic work to get balances in place to be expended in January and for the five months of the dry season. Therefore, in that way we are going to get far more production in the public sector than we are getting at this time when by the time you get the balances, you know, half the year has gone and we are into the wet season.

I also want to say that we will not resort to the very underhanded methods of having revenue accumulate on the fiscal account. I want to refer to what has been happening over the years, both under the last regime and under the PNM regime. I read with amazement—when I read this you will understand that the Government cannot be serious about spending more and giving allocations to local government authorities, a key sector for the purposes of providing services to the people of this country. Here, it says on page 2 of the *Review of Fiscal Measures in the 1991 Budget*:

"Receipts from non-tax revenue were $45.1 million or 11 per cent beyond the original budgeted figure. The shortfall of $9.3 million in interest on loans and advances was mitigated by interest payments of floating balances which exceeded its budget by $60 million or 100 per cent. This surplus accrued from interest on unspent balances held by county councils."

So you give county councils an allocation not to spend, but to have it as unspent balances. But you get interest from it and that then goes on the revenue side of the account. A deliberate strategy, because, you see, county councils, are by and large not under their control. So it is in their interest to make token provisions and not allow the county council to spend the unspent balances. It is an archaic accounting principle, we have asked for that to be changed, but it is not changed because of political considerations. So I am drawing that to the attention of the new co-operative Prime Minister.

But on this question of fiscal and monetary irresponsibility, indiscipline on which we have been lectured here in the budget, I should like to remind the PNM Government of two things: Firstly, that Central Bank’s financing of Government operations was a very much used mechanism before 1986 and contributed in no small measure to the culture of monetary indiscipline that we have today. I do not want to remind you who was the Governor of the Central Bank in those days. Secondly, that higher interest rates constitute an additional cost to investors.

Your monetary policy, if it has the result of getting interest rates to go up, constitutes an additional cost to investors and therefore is a deterrent to increased
levels of investment. Moreover, they lead to added production costs, higher price levels and reduced international competitiveness. So when you devise your monetary policy, perhaps you ought to bear this in mind—the counter effects. While you are trying to restrain demand and to conserve the foreign exchange reserves and so on, bear in mind the effect of increasing interest rates on cost levels in the society generally.

The burden of adjustment which they claim to be so scrupulous about sharing, I have said before that the overwhelming burden of their fiscal measures would fall on the low income groups in this society. There are some people who would not be able to afford the cost of travel, a short drop, because of the increase in the cost of gasoline and the ripple effect of that throughout the economy.

But—and I say this without malice—one wonders whether this enormous increase in the excise duty on gasoline, which is intended to push people immediately into consumption of liquid natural gas as a fuel for transport purposes, has not had an ulterior motive to it. Whether the beneficiaries, which is Ross and Sons, I understand, do not have a special relationship with the Prime Minister, the Member for San Fernando East, because it stands to reason, that if you want to put this in place, why do you want to do it in one year, and why could you not structure this over a period of time? Is it a fact that you have a special relationship? Why did you not encourage others to get into the provision of compressed natural gas as a fuel?

The fact that we find ourselves as a people in perilous times today has been due to the misdirection, mismanagement, misappropriation and indeed the misdeeds of the two previous regimes which have held office in this country—one for 30 years and the other for five. They have had no real solutions to our problems and will never have. We of the UNC are imbued with a new vision and point the way in a new direction. We have constructed a new frame of reference in the context of which we have offered some concrete alternatives. These alternatives, are to shape a new future for our people, a future of hope and not of despair, of economic liberation and not economic bondage; of participation of all in the economic process and not the marginalization of the many. We look to such a future, Madam Speaker, with confidence for the simple reason that we are that future. Thank you very much.

Mr. Subash Panday (Naparima): Madam Speaker, the hon. Minister this morning, at the commencement of his contribution, made certain pronouncements on our party. However, I wish to caution him that he must consider his own
position in the PNM, because the caucus has said that Sip’s supper has come to an end; Sip, the party to which he truly belongs.

The 1992 Budget, as presented by the hon. Minister of Finance can be described as a pick-pocket budget, among other things. It appears to be the work of a con artist. To some members of the community it has given by the thimble and taken away by the bucket. As to the remainder of the population that is the majority, it has given nothing to them, but it continues to take from them by the same quantities as before.

The areas which I intend to focus upon are labour, unemployment and poverty. Before I proceed any further, I wish to point out that the preamble to the Constitution of the Republic of Trinidad and Tobago states:

“Whereas the people of Trinidad and Tobago—

(b) respect the principles of social justice and therefore believe that the operation of the economic system should result in the material resources of the community being so distributed as to subserve the common good, that there should be adequate means of livelihood for all, that labour should not be exploited or forced by economic necessity to operate in inhumane conditions..."

This is so important that an individual's right to work is enshrined in the Constitution. An individual has a constitutional right to earn a livelihood. The PNM in its manifesto, has acknowledged that right. I intend to show that the 1992 Budget fails miserably to give many individuals in our society the opportunity to exercise their constitutional right.

The 1992 Budget is very myopic in that it lacks not only direction but also vision. It offers no hope and assistance for the unemployed, and in particular our nation's unemployed youths.

The issue of job creation must, of necessity, be a major part or major issue of Government's policy. But the PNM Government by the presentation of such a budget has downplayed the gravity of unemployment and poverty and has relegated them to the back-burners. Further, it should be noted, and I quote from page 13 of the Review of the Economy, 1991:

"Approximately 40 per cent of the population is below the age of 19 years, while 18 per cent of the population is within the age group 20 to 29 years."
This 1992 Budget ignores this large part of the population. As far as youths are concerned, all they are saying is that the budget has indeed taken a retrograde where their future is concerned.

The hon. Minister of Finance acknowledges that the economy has not performed satisfactorily in recent years. He says that as a result of that, significant losses—and I quote from page 1 of the budget, where he emphasizes:

"These are reflected not only in eight successive years of decline in the country's real GDP through 1990, but most dramatically in the loss of employment and this doubly high level of unemployment, particularly among the nation's youth."

So they have indeed recognized that unemployment among the young people in Trinidad and Tobago is a serious issue.

But yet, when one looks at the budget one sees that it had made no special provision for the unemployed youths of Trinidad and Tobago. Appendix H of the Review of the Economy shows that the unemployment rate dropped from 20 per cent to 18.9 per cent in 1991. As the hon. Minister of Finance, the Leader of the Opposition and the hon. Member for Oropouche have indicated in their contributions, the pattern of the figures is misleading and the unemployment figure is much higher than those in the Review of the Economy.

What had happened in the last quarter of 1991, is that the former regime, the NAR, used YTEPP, YESS, AIM, and other projects under the control of the Prime Minister's Office to detract from the real unemployment situation. What they did is that for political purposes, they created temporary employment which was not substantial or lasting. That being an election year, the former regime extended LIDP beyond its regular term, endeavouring to make the unemployment figures look good. But what has happened today is that all the people whom they tried to take out from the unemployment list and put them in YTEPP, have graduated and they themselves now have joined the long list of unemployed.

Not only have they gone on the breadline, but the people who were working on those projects which were designated projects under the office of the Prime Minister—for example, as you are fully aware, Madam Speaker, the projects like the Palmiste Development, big flurry just before election, work going on there day and night, and when you pass there now, it is like a ghost town. Not only those people but also people from the LID Programme have joined that long line.
3.55 p.m.

I venture to say, without fear of contradiction, that unemployment today ranks at about 25 per cent. That is a very staggering figure. At least, that would be about one in every four employable persons is out of a job today. What has this caring Government done for those people, I humbly ask? As a matter of fact, this caring Government will sit there and allow this nation to lose the services of our youth, and also lose our youth. The 1992 Budget has failed to address this volatile and unsatisfactory unemployment situation.

What was the PNM's position before they came into power? What did the PNM do? They ran up and down the country and bemoaned the fact that the level of unemployment is staggeringly high. In their manifesto, they said that the major indictment against the former government—that is the NAR Government—is its abject failure to generate jobs. They said that under the hands of the NAR Government about 30,000 jobs have been lost since 1986. They also said that the situation was more disconcerting when one considers that 20,000 young persons leave school and enter the job market every year.

What did the PNM say in their manifesto about that? The PNM, in their manifesto, said that they pledged to return Trinidad and Tobago to an economic growth path and to provide sustainable jobs. That is what they said in their manifesto. They not only made that general statement, but they also went on to detail, in their manifesto, how they will deal with the unemployment situation.

To come to this House today and say that things are hard and they cannot pick pies from the sky—what we are saying is, they knew that. When they left Government in 1986, they left the Treasury bankrupt—and they know that the Treasury continues to be bankrupt. But against the background of that information, they made these promises. So to come here and say, “there is no money, what would we do,” is an act of dishonesty.

Hear what the PNM said. They said that in order to defuse such an explosive situation, they would take the following emergency measures in order to generate employment; emergency. I am certain that they know what the meaning of “emergency” is. In another part of their manifesto, on page 13, they call it another name. They call it, “The Short-Term Economic Recovery Plan”. When one ties that with the emergency plan, one would have thought that this budget would have addressed that situation. But lo and behold, the budget does not mention a thing about it. They said that they will produce a specific policy
Objection to the Appropriation Bill (Budget)

Wednesday, January 22, 1992

[MR. S. PAN-DAY]

package to generate employment in the short-term under the following heads—that is their manifesto:

(1) The construction sector

They said that they will create rapid stimulation of the construction sector through the following measures:

(1) the reduction of bureaucracy and the speedy processing of applications to build—[Applause]

You see, Madam Speaker, they are clapping out of time because I have not finished. They have no initiative. All they are saying is the same old khaki pants which the NAR gave us, all they will do is try to pull it up a little higher.

Mr. B. Panday: Pull up the zip.

Mr. S. Panday: Pull up the zip. What they will do is use the same bureaucracy that the NAR had and try to make it more efficient. That is what this PNM Government is saying. They call the NAR, “the PNM B Team”, but it seems to me that this PNM team should be called the “NAR B Team”.

They went on to say that tax relief on low interest loans which are to be used for new construction—I ask the hon. Minister of Finance to show me in the budget where this is included in his Short-Term Economic Recovery Plan or in his emergency plan, as you call it. Also, incentives to encourage the use of local inputs to the construction sector. Where is a line in the budget which indicates that this will take place? Or will you say that you did not have enough time to prepare a comprehensive budget and the Minister concerned will tell us? Well, to you, Mr. Minister of Housing, we await your answer.

Apart from the construction sector, in the Short-Term Economic Recovery Plan, they say that they will look at the environment. The implementation of rural public sector works programme involves the following:

(1) The maintenance of the environment.

What that means, I do not know. Do they mean that they will reduce local government functions? Or will they increase local government functions? Will they increase the employment in the Ministry of Works? What? Tell us! They said that they will replace the roads, bridges, and improve agricultural access roads. When they were there before 1986, the roads had been so bad, and the situation continued under the NAR Government, that if they really intend to
embark upon such a project, we are certain that employment will be created. But nowhere in the budget has any special allocation been made to ensure that there is an increase in the labour force or any measure to reduce the unemployment rate.

4.05 p.m.

We ask, would you effect these measures with the present workforce? This is left to be seen. They said also in (3) that they would look into drainage. Well, on the issue of drainage I wish to state that the constituency of Naparima is begging you to come immediately and alleviate the chronic drainage problem in there. They say that they will improve water facilities and repairs. They went on further to say that they would look at the agricultural sector. And I wish to emphasize that point. They said that they would look at the agricultural sector, the implementation of rural employment initiatives and the development of the garment and furniture industries for export. And that, was the PNM’s pledge to the nation as a short-term or an emergency economic relief programme for unemployment. Nice sounding words. Words are cheap, but action is what is necessary and the budget is silent on it.

Let us look at what they have said just a few months ago—just up to December 16 when they jumped, pranced, ranted and raved in Woodford Square in presenting their manifesto. Up to December 16 they were saying that. On January 17, one month and one day after, let us see when time for action came what that PNM Government did. They presented the 1992 Budget. The question is, did they address the above measures? If one looks at the budget, one will see that the hon. Minister has said that they will deal with the issue of unemployment under two headings. At page 2 of the manifesto, if you want to look at it, you will see that they have said that they will implement the medium-term economic strategy, but we are not on to that as yet. When that time comes, we will deal with them. They went on to say at another part, the short-term economic strategy, the Policy Framework. That is the heading which they used. We today are dealing with the short-term economic strategy. Because we feel that if they cannot deal with the short-term economic strategy, the medium-term is only "ole talk."

What did they say in the budget about the short-term economic strategy? It emphasizes that the short-term objective is to (1) lay the foundation from which to launch a new era of sustainable economic growth; (2) to simulate investment and therefore growth and employment while at the same time establishing affordable support programmes for the less fortunate members of the society. It
seems to me that the objective that they have in the manifesto spills over in the budget. However, when the time comes for action they turn around and go in the opposite direction.

The question is, did the budget effectively address these objectives which I have just mentioned? The answer is, clearly, no. Before the ink could dry on the objectives, the PNM Government began to back-pedal. Because at page 24 of the budget speech, the hon. Minister bemoans the fact that the unemployed in our midst are suffering extreme hardships, but immediately on saying that, he says that the resources to alleviate their plight must be mobilized by the Government and the wider national community. That is really saying nothing, in other words, or running away, abdicating their responsibility as a Government to create employment and putting that burden on the shoulders of the wider society.

When one looks at that statement one will ask, what incentives has the Government in this budget given to the wider community to pick up that responsibility which they are taking? As shadow minister on labour and unemployment of the alternative government—I have been designated the portfolio of labour and to that extent, unemployment—I am going to look at the budget in detail in this area. What does the PNM, or what does the hon. Minister say that he will do in the short-term? Hear what he says. He is talking about next year—typical back to front PNM attitude—and then he comes to this year. He says that next year they will replace LIDP with an efficient and cost-effective alternative. Minister of Works, Sir, we await you on this. What does that mean, Sir? What effect will that have on the unemployment situation?

Madam Speaker: Will the hon. Member please address the Chair.

Mr. S. Panday: Sorry, Madam Speaker. Through you I ask the hon. Minister of Works, what effect will that have on the unemployment situation? We eagerly await the hon. Minister of Works on that issue. The hon. Minister of Finance goes on to say that in the meantime the LID Programme will continue with modifications. What are those modifications? I am not a “seer man”. All I can do is look at the budget to see what those modifications are. All that was said at page 25 of the budget speech about these modifications is:

"While we are unable to match the unusually large expenditure of approximately $163 million recorded in 1991, we shall seek to make about $90 million available..."
That is this year. Is that the modification? Well if that is the modification that means that the LID Programme for this year will be reduced to little above one-half. It is public knowledge that about 80 to 90 per cent of the recurrent expenditure of programmes like LIDP goes in wages and only about 10 per cent goes in goods and services. Therefore what does that mean? That means that the workforce of LIDP will be almost half in 1992. These are the same people who before December 16, were talking about creating employment and who in their manifesto speak about the short-term economic recovery plan. But look at what their first act is. They reduce the labour force of LIDP to about one-half. We on this side say that the people who have worked in LIDP belong to the lowest rung of the economic ladder and that they are the people in our society who need the most protection. And this action in the budget will hurt them the most.

4.15 p.m.

You see, when the PNM went to the election, they went with a manifesto. What is a manifesto? A manifesto is a bond and a pledge between the party and people. There must be trust, as the Minister says; there must be candour in a manifesto. What has this Government done? This Government has betrayed the people now that it has come into power.

They boast that they are a caring Government. We ask: Does a caring Government throw the poor and the unemployed on the breadline, as its first act? We say that the LID Programme needs to be revised. It must not only be revised, but the programme must also be shared equally among all the constituencies in Trinidad and Tobago; productive projects must be identified and the programme must be maintained and be productive at the same time.

One would see that the first act of the Government is to create unemployment. But on the other short-term strategies in the budget to create employment, on page 27 the Minister says that the proposed revenue measures may be classified into three broad groups. This is what he says:

"(a) Measures intended to stimulate economic growth."

This, I assume, he means will eventually lead to employment. As a matter of fact he says alittle lower down:

"The stimulative measures are basically geared to encouraging individual savings and activity in the construction industry."
He says at page 28:

"In order to stimulate the construction sector as a means of reducing unemployment, it is proposed to re-introduce an allowance for home owners who spend on repairs to their owner-occupied residences. They may claim tax relief on the amount spent, up to a maximum of $12,000 per annum."

Let us see what effect this will have on unemployment. Let us look and see whether this will make any significant impact upon the high level of unemployment in the construction sector. Unemployment in the construction sector is the highest in our country.

*The Review of the Economy*, Appendix V111, shows that when unemployment was at its lowest during the last quarter of 1991, 35,000 people in the construction industry were unemployed. As a matter of fact, as unemployment decreased, unemployment in the construction sector increased in the first quarter from 23,600 to 35,100 in the last quarter, even though unemployment purportedly fell during that period.

How will this incentive which has been advanced by the hon. Minister of Finance affect those unemployment levels? What the hon. Minister of Finance fails to appreciate is that honouring the implementation of the Industrial Court award, does not apply to the whole working population; it applies only to the public sector. The larger part of the working population is not a recipient of the COLA and the two per cent of the Court award.

What has happened, is that, because of the other fiscal measures of the budget, the disposable income of the majority of other workers in other sectors of the population has been reduced. The low and middle income who are not public servants, and that is also the majority of working people in our country, have been pauperized.

It is clear that since their disposable income will be reduced, many of the people of the lower and middle income brackets will be unable to make use of this incentive, and therefore you would hardly find people in the lower and the middle income brackets of the population being able to use this incentive, as I said, therefore very little, or no jobs will be created in that sector of the population.

Let us take the public servants now. When the Minister said—I think I saw him on television—that if the rich people can spend their money and create employment, he would have achieved his objective, I do not know whether the hon. Minister when he was speaking about this incentive, was directing his mind...
to the public servants. If he was, I want to inform him also that those people who are beneficiaries of the court award, having regard to the other fiscal measures in the budget, their disposable income at the end of the day, will be reduced. I think they say that the COLA is $280 per month with two per cent salary increase. I am certain that would be negated by the increase of, one, income tax, because most of those people with that increase will move up the range, and when they do so, they go into a higher tax bracket, therefore their income tax will now be higher.

The administrative fees which today have been presented to us, birth certificates and other certificates, that will affect them. Then the dragon itself—65 per cent increase in the price of gasoline—that, indeed, will have a rippling effect on the society and that will be the major cause of the reduction in the disposable income of those people.

4.25 p.m.

Also, it seems to me that the Government know where to hit the hardest; they hit where it hurts. The 15 per cent increase in the price of sugar; then what happens? All products that use sugar will go up. The cost of living will go up, the standard of living will drop, disposable income will be reduced. As I said, as far as we can see, many public servants are already crying and saying, that they are worse off now, after the budget, than before the budget. Therefore, among those people one would hardly see any dent being made in the unemployment of these people in the construction sector.

For argument sake, assuming that there are some people in the society who can make use of this incentive, the maximum is $12,000, but VAT was not taken off building materials. So, 15 per cent of that immediately goes into VAT. Therefore, the amount remaining to effect any construction or repairs will be negligible, having regard to the high cost of materials. Very little of that amount can be used to create employment. Therefore, when one looks at that measure, one will see that it goes through the window; it would create no significant dent in the unemployment of those 35,000 people.

Then they go on to say in their manifesto that there are two other incentives which will go to increase employment in the construction sector. They said, to increase the lending by financial sectors from 75 to 80 per cent and also the use of pension funds for new home-owners. In a state of uncertainty as that which exists in this country at this time, do you think people would wish to embark on that? Do you remember what happened to those people of the middle and upper middle income groups who had taken out heavy mortgages to build homes?
When they lost their 10 per cent and VAT came in, many of them had to leave their homes and flee to Canada as refugees, and the banks ended up with all those homes. People have learnt; people have been burnt once and in such a volatile economic situation like this now, it is certain that people will be very wary in the use of these incentives.

Further, one must ask, these incentives alone, are they really incentives? When one look at the budget and sees that it does not address other questions like interest rates and stamp duty—I humbly submit that their plans for the creation of employment in the construction sector will not make any dent at all.

Now, we have come to the conclusion therefore that the budget has really failed to address the question of unemployment. The unemployed have really been ignored in this budget. One must ask, why have they been treated like that? Is it that the public servants were pacified because they are very organized and have very strong leadership? We ask, have the unemployed and the poor been ignored because they are not well-organized and they are voiceless? Or, are they not well-organized so that courtesy calls can be made on their leaders? I wish to inform this Government that the unemployed, especially the youth of our society, are very frustrated; they are disgusted; they are disgruntled; they are fed up.

The Minister also acknowledged this when he stated that the unemployed have been suffering for a very long time. I want to inform him that the ranks of the unemployed youths are swelling. Please take action to assist them. Do not force them into a 1970 situation. The Member for San Fernando East came into politics as a result of the chronic unemployment which led to the 1970 disturbances. Please, I ask him, do not let the pains of the unemployed assist his departure from politics.

Again, when one is analyzing the PNM's position, one has to take the manifesto and compare it with the budget, and then one would see whether they really care or whether they pretend to care. Let us take the issue of agriculture.

Madam Speaker: The speaking time of the hon. Member has expired.

Motion made, That the hon. Member’s speaking time be extended by 30 minutes. [Mr. R. Palackdharrysingh]

Question put and agreed to.

4.35 p.m.: Sitting suspended.
5.05 p.m: Sitting resumed.

Mr. S. Panday: Madam Speaker, the PNM in its manifesto says that it is committed to the development of agriculture as a major generator of employment, but yet the budget does not say anything about agriculture. Why is the budget deafeningly silent on agriculture, and agro-processing as a means of reducing unemployment? Why have they ignored agriculture? Does the Government feel that if it does it will redound to the benefit of the rural communities like Naparima, Princes Town, Tabaquite, Siparia, Ortoire/Mayaro and Caroni East? Has the PNM chosen to adopt the unstated policy of neglect of agriculture so well exemplified by their forefathers? Are we still confronted by the old wicked, vindictive and discriminative PNM? Is the PNM willing to sacrifice the unemployed on the altar of discrimination and nepotism of the type which is highly visible in the composition of the protective services and the recent judicial appointments and promotions?

Further, the non-oil manufacturing sector increased by 14 per cent in the first nine months of 1991, but if that trend had continued, unemployment would have increased but what does one see by the actions of the PNM? One sees that the PNM has slapped a 40 per cent tax on corporations. Although in their manifesto they said that small businesses would be exempted from tax so they could expand and create employment, when the time came they did exactly the opposite. What we have seen is that the PNM has failed miserably in dealing with the unemployment situation.

I want to move on now to the position of the alternative government, the UNC. As stated before, the UNC believes that the most valuable resource is our human resource. We say that unemployment cannot be solved by such temporary measures such as LIDP, YESS, and AIM but by the provision of permanent well-paid jobs. Our manifesto identifies several specific and feasible proposals for relieving unemployment. It calls for investment both foreign and local. We are very cognizant of the fact that investors will not invest unless there is a market for their products. Therefore, what the United National Congress says, is that we propose to negotiate with the United States of America, an economic treaty that allows for free movement of labour, capital and goods, thereby expanding the market for our potential investors.

One would observe that the Minister in his budget speech also acknowledges that in order to expand our base we must enter the big economic American bloc. There are some of those who were in the former Government who say that the
Americans would not speak to us singly. We are saying that we belong to Caricom and that we must take the initiative in Caricom and take Caricom together with us in this exercise.

Our manifesto also goes on to indicate other specific areas which I am certain we could give to our Friends on the other side after the debate. One of our simple proposals is that we would remove or reduce import duties on raw materials for manufacturing. When one looks at the Review of the Economy, 1991 and sees the number of people unemployed in the garment industry, one could see that such a plan can be implemented in the short term. For example, reduce or withdraw stamp duties on the raw materials for garments.

There are a number of people from YTEPP who are now on the unemployment breadline, but we know that there is a large market for clothing in Trinidad. What the Government can do is to reduce the taxes on these goods and encourage those people to set up cottage industries. When they set up these industries in the rural areas at their residences, what you would actually be doing is reducing the cost of the factors of production. Unlike the EPZ, we shall not be exploiting labour but we shall be reducing the cost of the other factors of production and so we can have many of our young people gainfully employed. Some may argue that the Government will be losing revenue; how does the Government make up for that? We say that the corresponding revenue which was lost on imported materials can be imposed upon ready-made garments which are imported into the country.

Our craftsmen are fine experts and with the opening up of the media we are on the threshold of the latest styles in the world, so that with that information from our electronic media we are certain that Trinidad and Tobago can produce the most high quality goods and as such be able to enter the export market.

On the issue of old age pension, a lot has already been said, but I want to say that there should be no qualification on old age pension except a person’s age. The cane farmers I represent are denied old age pensions because they own a small contract of their own or they own a small dwelling house. The regulations are that the moment your income is over $4,800 per annum, you are not qualified. These people transfer all their assets to their children and other people in order to qualify for old age pension and the moment they do this confusion starts. The little money which the Government is trying to save by putting the limit of $5,000 for old age pensions, they use it—a larger amount—in the employment of the police service and the hospitals. So we are asking that on the issue of old age pension, the only stipulation should be the age 65.
Then we move on to sugar. We have seen that the price of sugar has been increased by 15 per cent. Now, how does that affect the people whom I represent, the cane-farmers? The budget did not indicate what that 15 per cent will be used for, but when one calculates, one sees that it will only amount to about $18 million to Caroni, which is only a drop in the ocean. From that amount the cane farmers will receive none. There is a school of thought which says that the cane farmers will receive a small amount from it, but, according to the formula which is used, called the Seemungal formula, what happens is that the Government’s subvention to Caroni will be reduced by that amount so that Caroni will then have to pay a small amount to the farmers. So that, in the final analysis, the fixed price which is given to the farmers does not increase. We, the cane farmers, are saying that this situation is untenable.

Cane farmers have to bear all the burdens of the fiscal policy of the Government, and yet the price of sugar has gone up but the price of cane has not. They are the people who are producing the raw material for sugar; they have to buy the sugar at a higher price but they still receive the same price for their canes. It smacks of a situation of the General Forbes Burnham type in Guyana and the poor Guyanese rice farmers.

We the cane farmers are saying that cane farmers deserve a price increase. In the Caroni’s divestment programme, they are asking the farmers to produce all the canes for Caroni, for the country. The farmers are saying that they are willing to produce the canes; we are willing to make a contribution to the society; we are willing to stand the natural consequences of the general fiscal policy; we are willing to share the burden of adjustment, but cane farmers say that they need at least a decent price for their canes.

The former Government announced one day the sum of $152 per tonne for the price of canes, eventually they reneged. We contacted the hon. Member for San Fernando East when he was in Opposition, and he decided to pilot a motion on behalf of the cane farmers. All the data have been given to him. He, when he was in the Opposition, agreed that cane farmers were not given a fair price for their canes, and he decided to assist us in fighting our cause. When he became the Prime Minister, look what happened. We wrote to him a letter telling him that now that he was in the position to help, would be kindly help, and we are certain he knows what the situation is. Lo and behold, we received a letter dated January 9, 1992 addressed to the General Secretary of the Trinidad Islandwide
Canefarmers' Association, and hear what the hon. Prime Minister did. His Permanent Secretary writes:

"Dear General Secretary,

I am directed to acknowledge receipt of your letter of December 20, 1991 to the honourable Prime Minister and to advise that the matter has been forwarded for the attention of the Ministry of Agriculture, Lands and Marine Resources."

When he was in Opposition, he was our flag bearer. Now, he is Prime Minister, that is the statement we are getting. You see, Madam Speaker, that situation is untenable and we expect the Government to announce before the end of this budget debate, a fair and a reasonable price for cane farmers. We are calling for $212 per tonne, but we are reasonable people and so to the humble Prime Minister we say, we will accept $152 for 1992 and accelerate it to $212.

Madam Speaker, the last topic which I intend to touch because it affects labour is the Government's intention to use CNG—compressed national gas—as a fuel for motor vehicles. The hon. Member for Oropouche, I saw, caused waves when he attempted to deal with that matter. I merely wish to say that this PNM Government is endeavouring to revive old PNM millionaires. There is some engineering firm in Claxton Bay—they were the blue-eyed boys of the PNM. When the NAR came into power they were dealt with and during that process they transferred all the assets into a new company, this Compressed National Gas Company. They knew what they were doing. There were 65 workers employed in that company. Eventually the engineering company severed the workers.

Sixty-five workers of that engineering company went to the Industrial Court. They got a judgment and their severance pay. I, as their attorney, registered the judgment in the High Court under the provisions of the IRA. When I went to effect the terms of the judgment, I met the Receiver from Ernst, Young and Partner and I told him: I have come to get the severance pay judgment for the workers—

Madam Speaker: I am unable to see the relevance of severance pay for the workers in this matter.

Mr. S. Panday: The workers obtained hollow judgment because the company had created fixed charges on their assets prior to their severance pay and those workers are still on the breadline. I am certain that our shadow Minister of External Affairs will introduce legislation in the Severance Pay Act to ensure that
workers' severance pay benefits will be rated as a priority charge. That is the point I am trying to make, Madam Speaker.

5.25 p.m.

That company that put those workers on the breadline went into CNG processing. When those people should have been put behind bars for taking advantage of workers, what one sees is that company is being given a headstart by this PNM Government in that they are the only people in Trinidad and Tobago now who are installing these CNG kits. We ask, what is the relationship between Members of this Government and that company? Are there Members of this House who already had their cars fitted by that company? One realizes that the cost of conversion is $7,000 and if they get 200 cars in five years and now they get 200 cars in two weeks, one could see that the PNM would create millionaires within two weeks.

That situation is something which must be investigated. Because, you see, the project has been silent on many things which were published in the manifesto. But on this issue it was not in the manifesto, but it came into the budget. One asks the question, why? What research has been done into CNG for this to become a major plank of Government policy? What safety researches have gone into CNG? It is highly volatile. If there is a leak what can happen to people in their cars? We ask also why research has not gone into the use of gasahol, that is gasoline and alcohol, so that Caroni could get a market for its products. This has been tried in Brazil already. Madam Speaker, I am certain that you will hear much more about this CNG in the future.

I now turn to the most neglected people in Trinidad and Tobago, the people, the residents, the constituents of Naparima. Naparima has been neglected by the PNM for 30 years, and the NAR for five years. Naparima, does not only produce cane and rice, and other crops, it also produces oil. But yet, when one goes through Naparima—I am sorry the Member for Ortoire/Mayaro is not here, because he surely would have agreed with me on the condition of the roads in the constituency of Naparima—the Rochard Douglas Road, the New Colonial Road, Jaipaulsingh Road, Kanhai Road to name a few.

To show how Naparima has been neglected, Cipero Road, on which TSTT has its headquarters, three miles up that road, we do not have telephones, but the telephone headquarters is three miles down the road. We ask, why that discrimination?
Appropriation Bill (Budget)  
Wednesday, January 22, 1992

[MR. S. PANDAY]

Water appears to be a luxury in Naparima. The people of Naparima are saying all they get from WASA is pressure, no water. We have fought and to date, the situation remains the same.

In conclusion, we of the alternative government will support the Government on any measure which redounds to the benefit of the majority of the people, any measure which will create greatest happiness for the greatest number. But any time they go off course they can expect us here, the alternative government, to rumble on those matters. Thank you.

Mr. Hedwige Bereaux (La Brea): Madam Speaker, as a new boy on the block, myself, I understand that the tradition of this House demands that whatever the quality of the contribution of a new Member, the Member who follows him must, of necessity, offer his congratulations. In the circumstances, I should like to congratulate the Member for Naparima, for what it is worth.

As I said, I am a new boy on the block, and I believe that Milton should really have written:

"Parliament though not double-faced, is double-mouthed and with contrary blast proclaim each deed.

Because I have sat here almost in amazement and we have moved almost from the sublime to the ridiculous. I heard the very eloquent speech of the Member for Couva North, and you know his eloquence sometimes took me off course, and I almost missed some of the inaccuracies. I propose before getting down to the meat of my contribution to deal with the one which he made in respect of income tax. He spoke about incomes between $20,000 and $40,000. What I think he meant, and what the Provisional Collection of Taxes Order referred to was chargeable income. There is a vast difference between income and chargeable income.

Further, there was a question, on a matter which was raised by the very incisive Member for Oropouche, and but for the time when he came on the petroleum industry, it was really an education to listen to him. He began to speak about stripper wells. You know, it appeared as though he had some sort of correspondence course from which he was reading, because anybody who knows about land operations of the petroleum industry in Trinidad would know that on land, by and large, most of the wells produce at what would qualify as stripper rates in the United States in East Texas and elsewhere. He also in the same breath spoke about operatorships. But the operatorship programme is meant to deal with...
stripper wells, and moreover, there is a provision in the Petroleum Taxes Ordinance where the supplemental petroleum tax that applies—

**Mr. Sudama:** Would the Member give way to a question. Is the Member telling this House that stripper wells are not now in the service of the oil companies? Is this what he wants to tell the House, that stripper wells are only under farm-outs and lease operations.

**Mr. Hedwige:** What I was saying is that there is no definition in our law about stripper wells. Further, that most of the wells that are being produced by the oil companies today are, in fact, wells that produce at the same level of what you would call stripper wells in the law where there is such a definition. Do you understand me now? Madam Speaker, I hope I have made myself quite clear.

Further, the question was raised on the matter of no benefit for the poor man. I was gratified to hear from the hon. Minister of Finance, and further from the hon. Minister of Planning and Development, that, one, the St. Patrick water supply would be 80 per cent completed by 1992, and that the sum of $11 million had been allocated to it. I can tell you that the St. Patrick water supply will serve the majority of the constituency of La Brea that has waited for that for a long time. We thank this Government and also the hon. Minister for that.

Further, we have a situation here where some Members of this honourable House do not seem to know on which side they are from time to time. They have moved up and down. I listened quite clearly, before, when I realized they studiously removed from their minds and reference to 1987, because that was the year they were in the party in Government and that was the year in which they did nothing for Naparima, they did nothing for any of their constituencies. **[Interruption]**

**Madam Speaker:** Order, please.

**Mr. Bereaux:** Further, I should like to deal with the question of squatters. I am pleased to be able to note that the Government proposes to spend $78 million on the settlements programme. Although it has been said that there is nothing in this budget for the poor man, I do not know about the other constituencies, all I can talk about is the constituency of La Brea. I can say that the people in Quinam Road, up on the hill behind the line, the people in Quarry, the people in Los Bajos, behind the credit union, the people in the Vance River Extension, and the people in Aripero Road will welcome the allocation of sums for the regularization of squatter settlements.
They will welcome the fact that this Government has arranged for T&TEC infrastructure to be put in those areas, and has provided money in the budget for it. Because I recall that it was a Minister of Settlements and Public Utilities of another Government—not a PNM Government—who on August 22, 1988, wrote to T&TEC and instructed T&TEC that it should not connect electricity to squatter homes.

I would expect to get the necessary support from those Members of the other party in this House who have, from time to time, appeared as champions of the landless and whom I have admired.

They have spoken about the question of five per cent increase in corporation tax. Nobody likes increase in taxes. But I just want to draw some facts to the attention of this House. When we speak of increased corporation tax, it is a tax on profit. In most businesses, the net profit is about 20 per cent. When you speak about a five per cent increase, it is really one per cent of revenue. But what I noticed was studiously forgotten was the fact that there is also a provision which allows net exporters to keep their foreign currency in the bank. When you take into consideration—let us just look at the US dollar.

When you get a US dollar and you have to change it at the bank, you get TT $4.21. If you want to purchase it subsequently, you have to buy it at $4.28. The difference is about seven cents and comes up to about 1.6 per cent or thereabouts. It means that for those companies that are net earners of foreign exchange, the very fact that they will not have to make that transaction in respect of the foreign exchange, this five per cent tax will be of no effect.

I go on to the other question about job creation, and the promise made by the PNM in the regard. I have heard so much about the PNM manifesto, so I am just going to go back to the question—I am referring, to the portion of the budget speech at page 28 which says:

"...the rules in the Insurance Act governing the permitted investments for Pension Funds and Statutory Funds of Insurance Companies be amended to increase the percentage which may be lent on mortgages of real estates or leaseholds from 75 per cent to 80 per cent of the value of the property. An amendment will also be made to permit contributors to pension funds to use their contributions to meet the downpayment on a first home..."

The construction sector between 1985 and 1990—I am unable to trust the figures of 1991—mirrored the performance of the general economy which experienced
consecutive years of decline. All the indicators of performance in the sector reveal a dampening of activity. Whereas in 1985, the construction sector contributed 11.35 per cent of the gross domestic product, the contribution in 1990 was 7.3. What happened? Normally, in order to determine the activity in the construction sector, you look at the number of building plans approved.

In 1985, 2,448 building plans were approved. In 1990, 1,302, a drop of 1,146, or 46.8 per cent. Let us look at the questions of repairs. Building plans in respect of additions, reduced from 610 in 1985, to 206 in 1990, a reduction of 404. You have a drop of 66.2 per cent. What this measure is designed to do, and if that is all it does it would be laudable, is to reverse that trend, then this is a measure which will create employment. But let us look further.

Let us look at the question in respect of the $12,000 for additions, and then let us look at the question of buildings. It is known that in 1990 the trust companies reduced their advance in respect of mortgages by $77.6 million. They pulled back money from the mortgage market and put it in Government securities. There was less mortgage money around. What this measure seeks to do is to provide mortgage money, and the measure which allows first time owners to access their pension fund moneys for the purpose of providing downpayments, is also seeking to provide more mortgage money and to provide more construction. I do not think I have to explain.

The construction industry has a ripple effect throughout the economy. Everything you could think about takes place on a construction site—everybody works. When you think about it, the people making blocks and galvanize are employed. You had a statement from the hon. Minister saying that the Government was going to build apartment buildings. On the large construction sites, even the doubles man and the lady selling mauby, are there working and earning, and that is the purpose of this measure.

But the comments on this budget, as lucid as they have been, appear to be directed towards criticism, and I understand that is the role of the Opposition. I have to accept it. But let us look at the question of the price of gasoline. You know, when we think about all these price increases in the budget, I should like Members of this honourable House to remember that the Government of Trinidad and Tobago, whether it was in a previous administration or in this administration, owed the public servants of this country money, and it was money awarded by a superior court of record.
Throughout any discussion you hear, whether in this honourable House or elsewhere, the complaint has always been that public servants are not working. This Government has shown that it has the intention to try to reform the public service. A Minister in the Office of the Prime Minister has been appointed with responsibility for the public service. I have had the opportunity of listening to the Chief Personnel Officer and the statements he has made about the conditions in the public service are frightful. Here we are, trying to do that, trying to reform the public service, trying to put the public service in a condition where public servants will be able to contribute meaningfully to the development of the country.

Which Government can have the moral authority to call on public servants to make that supreme effort, to put themselves in a position where they are receptive to change if they refuse to accept the responsibility to pay them the sums to which they are entitled? But the Government, although it is entrusted in the hands of the Ministers and the party in power, represents the entire people of Trinidad and Tobago. So it is the people of Trinidad and Tobago, the public servants, and some of the measures that have been put here are measures that are intended to meet that debt.

We, the PNM are a party that observes the rule of law, and to do otherwise than to address the payments to the public servants is equivalent to the old "bad John" attitude that has been used by a previous administration to say, "Big me, we do not have the money we are not paying you". But we are not doing that.

Let us look at the comments that have been made in respect of the price of gasoline and that, too, I want to correct. Although the tax has been increased by 65 per cent, the price has been increased in real terms by, I think, 30.6 or 30.2 per cent, not 65 per cent. Let us look at what constitutes price increases. You know, everybody keeps saying things will go up because gasoline has gone up, that transportation costs will go up. But let us look at it closely. The buses, the trucks, and certain maxi-taxis—they are fuelled by diesel and diesel will be increased by only eight per cent.

So, I want to sound a warning and a caution that some concern must be expressed and a careful eye needs to be kept on persons who might be willing to take an opportunity to raise fares, or raise prices unnecessarily and blame it on the price of petroleum products. But now let us look at the price of gasoline, and you must remember that, the gasoline price that we are talking about deals with cars and those vehicles that are gasoline driven. But, you know, what was more depressing was the fact that what was seen was only the increase in the price of
gasoline, and no mention about the great new opportunity that is presented to this country in respect of the use of natural gas through the medium of compressed natural gas.

I crave the indulgence of this honourable House so that I may discuss this matter fully, because I have heard statements made about whether studies have been done, and I feel that it is only fair that the entire matter be brought to this honourable House.

The number of motor vehicles in Trinidad and Tobago is extremely high, having regard to our size and population. It is estimated that by the end of 1991 there was in excess of 190,000 motor vehicles. These vehicles utilize approximately 580,000 kilolitres of gasoline and auto diesel fuel in any one year, at an estimated cost of TT $700 million. Now, remember, gasoline and auto diesel fuel are refined products of crude oil.

The petroleum industry in Trinidad and Tobago is relatively old. Crude oil production, which peaked at 229,000 barrels per day in 1978, has been declining at a rate of four per cent per annum. At present, the crude oil production is approximately 143,000 barrels per day. Natural gas production, on the other hand, has been steadily increasing to the extent that, at the end of 1991, if we use the figures for the first 10 months and project them, the production is 6,840 million cubic feet. Currently, reserves of natural gas are estimated at over 16 trillion cubic feet, resulting in a reserves to production ratio, in excess of 70 years.

It means that if we discover no more natural gas in this country, and if we continue producing it at the rate at which we are going, we have gas for 70 years to come. Crude oil, on the other hand, the experts go up and down, but at present price and present production they say we have no better than 10 years. But I am optimistic we will find some.

Now, the use of natural gas commercially is not new. It has been used commercially since the 1920s. Italy, just before World War II, when it had an abundant supply of natural gas, but where crude oil was short, started using natural gas to the extent that Italy today has 280,000 vehicles using natural gas, and 220 stations.

Now, the recent statistics show that there are over 700,000 vehicles using natural gas in the world, Italy, Canada and New Zealand being the current leaders. One would ask, well, if we get into this CNG, is this new or some obsolescent technology we are looking at? No, this is where the world is going.
5.55 p.m.

Recently, in Japan and the United States of America, Toyota, General Motors, Ford, and other companies have taken policy decisions to manufacture vehicles which will be able to run on alternative fuels, including natural gas. In addition, such reputable manufacturers as Mercedes Benz and Cummings—reputable manufacturers of commercial vehicles—have begun manufacturing vehicles which will use natural gas.

I recall that the hon. Member for Naparima was concerned about safety, so I will deal with the question of safety. The safety record of natural gas vehicles has been excellent. A recent US survey of natural gas vehicles found that in approximately 1,300 collisions, not one had a fire involving the natural gas systems. That is not our research, Madam Speaker.

I will go on to deal further with safety and the environment. We are concerned about the environment. I recall a Member mentioning that we had spoken in our manifesto about the environment. Let us look at the effect on the environment of the use of natural gas as a vehicular fuel. Natural gas is considered safe, or safer than gasolene or other existing vehicular fuels for the following reasons: It is non-toxic, it is lighter than air and quickly disperses. It has a much higher ignition temperature than gasoline. Whereas the ignition temperature for gasoline is 800 degrees Fahrenheit, natural gas is 1,300. So you are more likely to get a fire in a gasoline-driven vehicle than in one driven by natural gas. It has a much narrower flammability range than gasolene. Moreover, CNG contributes to a healthier environment by significantly reducing the emission of pollutants.

One of the major benefits of the natural gas vehicles is the inherent cleanliness of natural gas. Studies conducted by the Environmental Protection Agency of the United States of America showed that when compared to gasoline-powered vehicles, natural gas vehicles produce only a fraction of air pollutants. They emit only 56 per cent of reactive hydrocarbons, less than one per cent of carbon monoxide and 78 per cent of the nitrogen oxides that gasolene-powered vehicles emit.

Further, since CNG contains no lead, the health hazard resulting from lead oxide emissions of gasoline engines is eliminated. I read in the newspapers, a few months ago, about the concern on our highways in respect of the vendors on the side of the highway and the amount of lead injected into their systems. It is important to note that lead is a neurotoxin with a long history of causing damage
to the human brain, irritability, depression, malfunctioning of the alimentary canal, weakness, impairment of the nervous system, inflammation of tissue leading to permanent brain damage.

**Mr. Sudama:** Is your vehicle using natural gas?

**Mr. Panday:** With all these defects, surely you would have converted your vehicle.

**Mr. Bereaux:** Madam Speaker, the Member for Naparima asked—and I listened to him carefully because he was raising some very pertinent points, points which I myself raised until I looked for the research—whether we were just depending on the foreign research; whether we were just depending on what the foreigners had to say; whether we did anything ourselves to find out what was happening; and whether this suited the conditions of the country.

A pilot natural gas vehicle project was launched in April, 1986 when one CNG fuelling station was erected and 46 vehicles were converted to run on natural gas. The project was monitored, from its inception, by the Ministry of Energy, which concluded that the system is safe; the performance of the vehicles, good, and the savings in the fuel cost currently amount to approximately 70 per cent when compared with gasoline.

I should like to read from a comment made by the Acting Assistant Commissioner of Police in respect of the natural gas vehicle, PAK 5509, which the police was using:

"In conclusion, it will be very economical in converting vehicles to this type of fuel, as 700 miles travelled on premium gasoline will cost the Government $147.90, whereas the same distance covered with CNG will only cost $40; a difference of $107.90, which will drastically reduce our fuel bill by at least 50 per cent annually.

As such, I unhesitatingly recommend the total conversion of all police vehicles to be fitted with CNG tanks. I further recommend two tanks."

**Mr. Palackdharrysingh:** Are you making a recommendation to the Government?

**Mr. Bereaux:** No, this is the recommendation made by the Acting Assistant Commissioner of Police on December 8.
6.05 p.m.

I think I need to let this honourable House know that the facts I have brought forward here come from a report of a Cabinet-appointed committee to study all technical, economic and policy aspects related to the full-scale commercial introduction of compressed natural gas as an alternative vehicular fuel in Trinidad and Tobago. The report is dated February 6, 1990 and it was reviewed again on April 21, 1991. The project started in April 1986 and it went straight through from one administration into the other.

But, there is another point. And again I thank the hon. Member for Naparima. The question was asked whether there are sufficient stations available and what kind of criteria must be used to determine the number of stations. The budget speech says that there are 10 stations to be put down, but in addition to that, to determine the extent to which this can be done easily. In addition to having adequate supplies of natural gas, the natural gas pipeline distribution network in Trinidad and Tobago is relatively well-developed and is in close proximity to the developed areas and to the present service stations that provide gasoline in the populated areas. So it is not difficult to have these connected.

Now let us look at the economic implications to the person who has to use it. The benefits which will accrue to the individual who utilizes CNG to fuel his vehicle could be summarized as follows. When I get to the economic benefits for the purpose of justifying this measure, I am not going to use the present price of gasoline. I am going to use the pre-budget price of gasoline, because if we use the present price, it will look too good. I err on the side of conservatism and caution. The price for conversion of a vehicle for the use of natural gas is between $6,500 and $7,000. When that sum is amortized over a two-year period at 13 per cent interest, you repay at the rate of $323.00 a month. If your gasoline bill at $1.50 per litre comes up to $1,000, then with the price of CNG at 43 cents per litre equivalent, your gasoline bill will be $286.00. That leaves a net savings for that month of $714.00. The amortization on the conversion kit is $323.00. That leaves a bottom line savings of $391.00. And so, too, if your gasoline bill is $800.00 your CNG bill will be $229.00; your savings will be $571.00 and after amortization you will have a savings of $248.00; and if your gasoline bill is $500.00 your comparable CNG bill will be $143.00, your immediate savings will be $357.00 and when you pay $323.00 you will have the savings of $34.00, that is, provided you amortize it over a 24-month period. Obviously, in the cases of
persons who have a lower gasoline bill than $500 you will have to amortize it over, maybe, 30 months or three years in order to effect immediate savings.

Now persons who have converted their vehicles to natural gas usage have reported that the insurance companies have asked for no additional premium because of the conversion. Now let us look at the benefits in respect of the utilization—the mechanisms. Lower maintenance costs. Since natural gas burns cleaner and more efficiently than gasoline and has a higher octane rating, the life of the engine, the spark plugs and exhaust systems is significantly extended and engine maintenance costs are substantially reduced. This is what the report says. I will call the names of the persons who were members of the committee shortly. The engine oil change period can be extended. Kits can be transferred from one vehicle to another with minor modifications, so that after your car gets old and your kit is still there, you could transfer it to a new car—minor modifications. But, most likely, the person who is buying the car will want the kit because of the inherent benefits in the use of CNG. There is one point that makes this a very attractive fuel for fleet owners. Unlike gasoline, CNG cannot be pilfered, so when you have it in your car it stays there.

Let us look at the benefits to the state. Of the 190-odd thousand vehicles, the state has just over 2,000 and some state enterprises have about 900. The fuel bill for those in 1990 was $5.5 million; and I read to you what the Assistant Commissioner of Police said, that it is expected that if the state were to convert their vehicles they would have substantial savings. Now one of the major benefits of conversion to natural gas as a vehicular fuel is the question of the foreign exchange, and there is a background to this. A lot of oil is produced in association with gas. There are several instances where, to get the oil the gas has to be flared. So we have a situation where, once there is use for the gas, we could produce the oil and once the gas can be used for the CNG project, the gasoline can be exported. As of yesterday, the price of mid-range gasoline was US 55 cents per gallon. When you work it out per barrel, it amounts to $23. For the purpose of this, a more conservative figure of US $20 was used.

6.15 p.m.

Madam Speaker: The speaking time of the hon. Member has expired.

Motion made, That the hon. Member’s speaking time be extended by 30 minutes. [Hon. K. Rowley]

Question put and agreed to.
Mr. Humphrey: Madam Speaker, I just want to ask the hon. Member, if in his calculations he has compared what it would cost to import the kits that are required in the conversion, with the gains that we will make in exporting the gasoline that we will conserve by so doing.

Mr. Bereaux: Madam Speaker, I was coming to that. The net increase in foreign exchange earnings amounting to $18 million, the employment opportunities which will be created by the construction of CNG fuel in stations, the laying of pipelines and the installation and maintenance of conversion kits, the reduction in public sector expenditure, will result from the conversion of vehicles owned by that sector. There is the distinct possibility of a total reduction in transportation costs as vehicles are converted from gasoline to CNG. I should point out that the figures with which I am dealing relate only to 5,000 vehicles. Those are the only projections. Because a larger fleet requires more stations and a number of other things.

But to deal with your point. In the initial stages there will be some foreign exchange costs. But even with those costs, it is anticipated that the net revenues to the country would be approximately $10 million. As the number of vehicles increases, it is expected that whatever loss is incurred in the first year, will be made up in the other years.

I should like to also point out that the World Bank within recent years has expressed its commitment to assist developing countries in the use of indigenous natural gas supplies as an alternative vehicular fuel. This approach is designed to relieve the demand of liquid fuels which can account for up to 70 per cent of the total oil requirements of a developing country. The Bank's assistance is generally for countries where natural gas is available and where the majority of the infrastructure already exists.

From what I have said, you will realize that Trinidad and Tobago is in the classic position. But there is always a caveat and I always believe that we need to look at it. Government must be concerned to pay particular attention to the safety aspects of compressed natural gas technology. In this respect, I expect that in consultation with the Bureau of Standards, Town and Country Planning, Fire Services Division, Factory Inspectorate, Licensing Authority, and the Ministry of Energy, regulations will be prepared governing the sale, installation and repair of natural gas fuelling systems and the erection and operation of the CNG fuelling stations.
The regulations should ensure that:

(i) no person would be allowed to sell, offer for sale, maintain or repair a CNG system or any of its components in a motor vehicle unless the person holds a CNG service licence issued by the Ministry of Energy. That is similar to the regulations which we now have. But as I said, out of an abundance of caution I mention it;

(ii) supply CNG to a motor vehicle only if the person holds a CNG Marketing licence issued by the Ministry of Energy.

Moreover, care should be taken to ensure that foreign technology suppliers are:

(a) committed to the transfer of technology;

(b) involved in or have at their disposal, access to continuing research and development programmes on natural gas fuel systems.

These research and development programmes should include:

Work on engines designed specifically to run on natural gas thereby making optimum use of the natural gas.

As we spoke about Cummings and of what Mercedes Benz are doing.

Work on diesel engines to ensure that they too will be able to use CNG, and investigations, particularly into low pressure storage systems.

I also suggest, and I understand that this may already be in train, that information should be provided by the National Gas Company and the National Petroleum Marketing Company. They should conduct programmes to inform the populace of the financial savings, the safety, the foreign exchange earnings and CNG technology. Companies that are the holders of either a CNG service licence or marketing licence should be required to ensure that their employees are suitably trained in the relevant CNG technology.

There is much in any budget speech delivered in the House about which one can comment and about which one may comment adversely. I have listened very attentively to some of the comments coming from hon. Members on the other side, and I have heard distinctly that they are prepared and will be prepared to work with the Government on any matter designed to benefit Trinidad and Tobago. I have also heard the hon. Prime Minister say that he considers energy and energy policy not to be the sole preserve of any particular party in this House.
I would want to urge hon. Members that this is something which, in my own view, has great promise for this country, and that notwithstanding the cut and thrust of debate, we should have, perhaps, some consensus and some rapport on this matter. I thank you.

6.25 p.m.

Miss Hulsie Bhaggan (Chaguanas): Madam Speaker, the budget before us reflects an obsession with old and outdated policies. It supports the status quo. This budget is old wine in an old bottle. It is being presented as new wine in a new bottle to the citizens of Trinidad and Tobago with a label called “Free Market Economy”.

After a rigorous examination of this budget, I have come to the conclusion that this budget is an effective contraceptive to meaningful, productive and useful results. This Government is playing it safe with old PNM tactics.

May I, from the very beginning object to the implicit philosophy of this budget. The hon. Minister of Finance claims that this budget is essentially committed to a free-market economy strategy. How does a free-market economy work and who benefits more? Why does it play such an essential role in the thinking and policies of this budget? The champions of a free-market economy advocate an all encompassing philosophy which is called neo-liberalism. It basically argues that the allocation of resources and the production and distribution of goods and services should be determined by the free-market forces. It views human beings as essentially economic factors of production. As a matter of fact, the value of the human beings is determined by the market.

In recent times we witnessed the fall of communism and the decline of socialism. This has led to the consolidation of a capitalist system throughout the world. Undoubtedly, there are various forms of capitalism. In my opinion, we are presently faced with two options. Either we embrace the neo-liberal free-market economy where we pursue capitalism with slavery, or we pursue a social market economy with capitalism, with social justice. This budget is not as safe as it appears. This budget is laying the basis for capitalism with social justice.

Generations of this country are already in bondage to international finance. The hon. Members on this side have spoken of the debts this country has to pay. Millions of dollars must now be spent to service those debts. We are presently living in hard times. The framers of this budget have unleashed accountancy on the intangible question of whether we can treat people justly, equally and
humanely. In dealing with the provisions of this budget for social services, one has to establish a clear link with social justice.

I put it to this great House that there are two sides to the justice ledger. The cost of justice and the cost of injustice. However, the advocates of the cost-benefit analysis in public policies are very quick to say "we cannot afford it". Costs are always shown to be more than benefits when it is a question of social justice. It is ironic that in times of prosperity, the O'Hallorans privatized the profits and now in hard times the hon. Minister of Finance is presenting a budget to socialize the losses. It is against this background that I shall now proceed to evaluate this budget in terms of its impact on the powerless to evaluate this budget in terms of its impact on the powerless and the unsuspecting citizens of this beloved nation of ours.

Today, hon. Members on this side spoke a lot about the various measures in this budget. This evening I am going to focus particularly on the socially deprived. I want to begin with the question of senior citizens. With the increase of $32, a pensioner now receives $347 per month. That may sound like a lot of money. It means today that this Government actually wants a pensioner to live on $11.57 a day. Can $11.57 a day pay for food, clothing, the increase in transport—I disagree with the Member for La Brea on the question of whether transport will increase or not; it has already been increased.

So, $11.57 can under no circumstances actually finance transport, food, clothing, paying of electricity bills and visiting a doctor and paying for medicine. We all in this House know that the health services are a disaster and our senior citizens have to buy medicine over the counter. There is no way that these senior citizens can survive. So I fully support the recommendations of the Members of this side and of our UNC party that we must raise the ceiling for old age pensions. I will not go further into that because it has been dealt with properly on this side.

Secondly, apart from the monetary contributions for our senior citizens, it is very important that we take care of them properly. They are lonely people. When we speak of senior citizens, we are not talking about statistics, we are talking about parents, grandparents. We are talking about people who have spent all their lives taking care of this nation and now we have a social and moral responsibility to extend a similar act to those senior citizens.
So, I am saying to this honourable House that we must provide homes for the aged, not just institutions to dump our senior citizens, but we must equip those homes with proper facilities for recreation, for certain kinds of comfort. We must ensure, for instance, that these people are meaningfully occupied while they spend their last days in those homes.

Recently, I remember reading a particular newspaper, I read about the plight of senior citizens. It was a most moving article because these are people whom the society has discarded, all in keeping with the concept that the market determines what happens to our people. Today, I have sat in this House and a lot of economics has been discussed. I know economics is important, and economic considerations are important, but my suggestion to this honourable House is that social and economic considerations must be given equal importance.

Those senior citizens who have retired, many of them have a wealth of knowledge and experience. Many of them are willing and able to do voluntary service, in terms of community service. The hon. Member for San Juan/Barataria and I have had the occasion to work in a particular community and I hope that the hon. Member for San Juan/Barataria will support such measures, that the senior citizens of this country will be given back their human dignity and self-worth.

Secondly, on the question of public assistance. There was a big deal about the fact that now adults are going to get $9 more on public assistance. It means that an adult needy person is now going to have to exist on $3.37 per day. A loaf of bread costs $2.50; taxi fare for the most average distance now is probably at the rate of $3 to $5 in some places. I am suggesting to this House that this increase is in no way sufficient.

6.35 p.m.

Under the public assistance scheme children are now receiving $2.93 per day. Now, that pittance cannot even buy an exercise book or a pencil. What I find interesting is the fact that we have removed VAT from school books but the point is that this money cannot in any way make any contribution towards the purchase of school books. As a matter of fact, needy children today are staying at home. I am very much aware of instances where child labour has become a national way of life for thousands of our children. Children have had to join their parents in the fields, they have been collecting and selling bottles and they are actually selling on the waysides and in the markets. They cannot go to school because they have
no food, no clothes and they have to find some way to supplement the income coming to their parents.

Then there is another set of children who live on the streets. I have worked in Port-of-Spain where we have had to actually take children who lived most of their lives on the streets. There are children who entered the streets at the age of seven years and those children had to do petty crimes to survive and today many of them are hardened criminals. Those children sleep on cardboard boxes under abandoned buildings and they are being abused by homosexuals, and all types of people. We have a responsibility to take care of those children who have been rejected by the society. Some of them come from broken homes; they are the children of addicts and alcoholics; they are the children who have no parents and these children have absolutely no hope of a future.

The risk we face is that within the next generation of young people, we are going to have many people who have had what is called a lost childhood. I, therefore, make a special appeal for the children of this nation because there is a famous song that talks about the children of this universe; that they are no lesser than the trees and the stars. I am suggesting to this honourable House that while we speak figures and while we speak of millions, about energy and all those things—they are very important—I feel we have got to take care of the poor, the needy and the children in this society and I call upon the Members on the other side to develop a proper comprehensive programme that will take care of the holistic development of the child. I am not just speaking about a meal, I am speaking about his holistic development so that when that child grows into an older person he would become a valuable asset to the society.

I also want to deal with the question of young adults. It is very fashionable to speak about the youths of this nation, but what are we really doing in a meaningful and substantial way for the youths of this nation to bring hope to them? I am very disappointed. I have been disappointed by the former regime, and in the PNM before that and now in this budget I have seen once again where the young adults are being alienated and marginalized by the society.

I have noted for instance that the Government intends to redirect where necessary, initiatives such as YTEPP, YESS, AIM and so on. You have heard our position as far as YTEPP, YESS and AIM are concerned but I am aware that YTEPP received a World Bank loan of US $20.7 million for the period 1991 to 1995. I wish to make it clear to this House that millions of dollars of borrowed funds are being wasted in political patronage and in heavy overheads. All programmes
related to young people should be consolidated under one umbrella. In this way you have a comprehensive, systematic and a rational programme to deal with the problems of youth in this country.

I suspect the reason we have these programmes separated is that we are able therefore to set up divisions and units and through that we are able to create jobs for the boys and the girls in the respective parties. It has happened in the past, it happened in the last Government and I am looking to see whether it is going to happen this time. We can no longer play politics with the lives of our young people because they are the basis of our future generation. Today, thousands of our young people are sitting at home and they have nothing to do. They have O' Levels, A' Levels, University degrees and they have nothing to do and many of them, as the Member for Barataria/San Juan will agree, have turned to drugs.

YTEPP is totally inadequate to take care of the young people of this nation. What we need to do—and it is again very fashionable to speak about the global developments and how they are going to impact on this country of ours, but what have we done to respond to those developments?

My recommendation is that we have got to analyze developments that are taking place globally and see in what way they are going to impact upon this country, not merely in terms of economics but rather in terms of manpower. We have got to do research to understand what kind of skills are needed to take us into the 21st century. We have got to understand what kind of manpower mix we need. We also need to have a national human resource development programme that prepares this nation, not only young people, with the skills to take us into the 21st century. If we are to move from a Third World country to a First World country we have got to do things properly. Therefore, the question of partisan politics and setting up programmes for a five-year electoral period and spending more money in the last year before the election, those things will no longer work.

This country is small with 1.2 million people. We are now in the last lap and we as Trinidadians and Tobagonians know the meaning of the last lap. It is the last lap towards the 21st century and beyond. How can we still sit back today and offer a programme like YTEPP to the young people of this nation? Can you imagine our young people being retrained to be joiners, plumbers and draftsmen and so on and when you look at the new technology coming in, most of the skills are going to become obsolete as soon as the trainees graduate? That is unfair.
I am recommending to this House that we introduce courses, based of course on the research we would have done, on things like mass communications, science and technology for instance. Today when you look at technology you realize for instance, a simple thing like a computer programme is actually making many jobs obsolete.

There is a need to retool and redefine the kind of skills we need in this society and so our young people therefore must become part of that scenario to ensure that they become part of that mainstream of society. If that does not happen we would end up in a situation like Guyana, where at least 500,000 people have had to leave that country. Today 60 per cent of that economy is considered informal and many of the young people have left because there is no opportunity for them there. We have seen the same trend beginning here. Migration has always been part of our society, but over the last five years at least 20,000 or more people have left, and if you examine the ages of those people and the skills, you will see that most of our young people are leaving in droves.

Additionally, I am suggesting to this House that people who apply to go into a programme should not just be accepted like that. There has got to be professional assessment of people to determine whether they are suited to the particular field that they have selected. After assessment they then go into a training programme, after that they should receive technical and financial assistance so that they will be able to set up employment for themselves. In this way you will be able to take people from the state of being untrained to being trained to the position of being employed.

As it is, thousands of people have graduated from YTEPP. The question to this good House is, what percentage of these young people have actually become gainfully employed? Many of them today are still idle at home adding to the frustrations of having O' Levels and A' Levels and YTEPP training and still cannot get jobs.

6.45 p.m.

At the level of unemployment, we talked about the LID Programme. My focus here is: Can we expect a young adult with 8 subjects, O' Level, A' Level and a university degree to go and ask for a “ten days” to dig drains? Now, I have nothing against digging drains, but I do not think that a young person went to university simply to be able to get a “ten days” on the block, and apart from that, must join the political party and sell his very conscience to get that job. I feel that
such a practice has to go out through the window. I know that LIDP has its roots in the DEWD Programme, so I hope that this new/old PNM will introduce some kind of measure where there is equality in the trend of employment and, secondly, rethink this whole issue of employment and come up with something which is creative and innovative.

What about the fact that many of our young people today are turning to drugs? I ask that question because I feel that for some reason that whole issue is not being addressed with some seriousness by this Government. My recommendation today to this Government is that all those institutions and non-governmental organizations which are involved in the issue of drug prevention and drug rehabilitation be given proper aid and financing and support services. I am aware that the previous Government had set up a particular institution and $10,000 a month is being paid for the rental of facilities. They have the most high-powered staff in that particular institution, but the other NGOs are doing 10 times or 20 times as much work in the field as that particular organization. I recommend to this Government that this situation be rectified if we are to address the problem of drugs.

I should inform the House that at the Rienzi Complex we have established our own centre to service Central Trinidad. I also hope that the hon. Members on the other side would see it fit to give us some financing to ensure that this project also expands in Central, where the drug problem has grown. The Prime Minster has visited the centre and I hope he will be giving it some consideration. My appeal here is especially to the hon. Member for Barataria/San Juan who I know actually empathizes with us on the problem of drugs.

As in the case of children, when you look at young people, I ask the question: Is this a caring Government? How can we say we are caring when implicit in that budget is the fact that you are absolutely marginalizing young people, the youths of this nation, the future of this nation, and have put them aside, and all the other side is looking at is accounting gimmicks, economics and thinking only of balancing a budget.

I call on this Government to look at the holistic type of development. When I examine the various ministries, I have seen, for instance, where they have separated portfolios which should have been integrated into one ministry. We cannot separate culture from education in some respects. We cannot separate the social development from the physical development. We have got to look at the
holistic development of the person and so we have got to centralize some activities, projects and programmes under one umbrella.

I want to make a special appeal on behalf of women and I know, Madam Speaker, that you share my concerns with respect to women. In fact, I had the opportunity to see you on television recently when you spoke of having a development fund for women. I support such a move. In this budget we talked about female-headed households. These are going to be most affected by this budget. When we look at the whole question of the increase in prices—and I am going to defer to the hon. Member for La Brea. Prices have increased and are increasing and they are going to continue to increase because we have put in train a whole inflationary spiral in this country. Once we increase the cost of transportation, everything goes up. I know that travelling from La Brea to Port of Spain is going to cost the hon. Member for La Brea a lot of money and maybe this is why CNG is so highly recommended by him.

We need to look at the women in particular. For instance, a year ago we had a conference here—the Fourth Conference of Caribbean Working Women—and that movement consists of women trade unionists from 19 trade unions in the English, French, Dutch and Spanish-speaking Caribbean. The All Trinidad Sugar and General Workers' Trade Union is part of that movement. In that particular conference they had to look at the whole question of women and I should like, today, to reiterate some of their recommendations as they would fall within the economic framework of this budget.

In the first place, we need to ensure that we put in place a proper human resource development programme which will focus on the development of women. So, if you introduce a national human resource development programme, women must be part and parcel of that. Let us look at the informal economy. Women probably occupy at least 40 per cent of that sector. I know that we do not have a wealth of statistics available on that.

Now what is the informal sector? There are women who are not employed at the level of government or at the level of certain state enterprises. They are selling in the markets, they are self-employed—they are women who have to eke out a daily living for themselves. Many women start off as market vendors and die as market vendors. Why is it that a woman cannot start off as a market vendor and have access to state technical assistance, financial assistance and certain other infrastructure which would allow her to graduate from a position of vendor to a position of a small business woman? Why cannot it be possible in a small society
such as ours for that to happen? I know women have worked—whether as sugar workers or market vendors or teachers—very hard and in many cases they have been able to build up their homes out of almost their sweat and their tears. Of course, I dare say, with due respect to the men in this honourable House, that if there were some more women in this Parliament and the Government, we would probably have more social justice in this land.

We need to have our women having access to vocational training, to management training, to marketing, doing basic accounts; the whole idea is to prepare them to move forward. Therefore, human resource development must lay special emphasis on women.

With respect to the working woman, many of them are at a disadvantage. They perform three and four roles and so when it comes to a profession, or the family, we find that many women have had to sacrifice one of them. Women, being sensitive as we are, tend to go for the family if there is a choice, and sacrifice the profession. Very few women have been able to balance both and be very successful.

6.55 p.m.

I am suggesting to this honourable House that at some point in time, and very early, we introduce into this country a system of child-care facilities that will be supported by the Government. I call upon the trade union movement and the various employers to come together on a tripartite basis and reform facilities so that we can have child-care facilities for our women. In this way our women would be able to have more time for their jobs. At the time they would suffer from less stress and be able to perform much better at work.

Secondly, I recommend that we also set up centres for young adults and children. I know of women—I worked in the banking industry for about six years in manpower planning and development, and because of that I had to be in touch with all the women in the bank. Many of these women had a very tough time in terms of their stress levels because they had to take their children to school in the morning, rush into the bank and clock in, then work all day. When it is three o'clock, they are wondering whether somebody picked up their children and as soon as the bank closed they had to rush off, pick up their children, buy something at the grocery, go home and prepare dinner. Because, you know, the male counterparts in our society do not share that domestic responsibility, and many of these women find themselves in a situation where they are burnt out and so they have to retire from their jobs very early. [ Interruption ] I expected that response from the House, Madam Speaker.
I recommend to this House that we set up facilities where these services can be made available so women will not have to suffer the stress of wondering where their children are. Some children might have to go to school on their own and so you have a centre where there is a meal provided, there is a vocational facility, there is supervision and so on. I think the working women in the society will be better off. Of course, the men, too, will have less stressed wives to deal with when they get home.

We are dealing with a very chauvinistic society, I am afraid. I must mention that when I went to sign up my nomination form as a candidate in the election I had to put in the word “she”, because they did not provide for female candidates in the general election. I hope that at some time in the future we shall have a chance to deal with the whole question of legislation with respect to women.

I recommend to this House, especially with respect to the single mother, that we introduce tax incentives where we can have claims for those expenditures on children and the various school-related expenses such as school books, medicines and so on; relief for the upkeep of children, to single mothers and single parents generally.

Madam Speaker, I hope later on we can deal with this matter in greater detail, but one area I thought we should also look at is where the Government could take the initiative of negotiating with the unions to deal with the question of flexible working hours. You find that women have to leave home very early. I know of women coming from Arima who have to leave home at 4 a.m. with their children sleeping in the back seat, and they have to drop their children off at six o'clock in the morning. It is not only for the women I am speaking, but I am also speaking here for the children who have been suffering as a result of that kind of pressure being put on them. Madam Speaker, there is much injustice with respect to women.

I also suggest to this honourable House that while we are saying funds are scarce, we should also look to mobilize our human resources at the level of the community. We need to set up socio-economic projects in the various communities and villages. There is a socio-economic model which the All Trinidad Sugar and General Workers’ Trade Union has been working on, under the leadership of the Member for Couva North. That particular project has achieved much success and I hope that the Government would also move towards developing what is considered to be grass-roots economic enterprises.
I know amidst the pain of senior citizens, the poor, the children and the young people, when we speak of a free market economy, we are doing a grave injustice to that group of people. I am convinced that the market is a capricious altar upon which this Government intends to sacrifice the citizens of this country. So, when we look at those problems I have discussed and we talk about a free market economy, in that whole scenario, there is no room for social justice, there is no room for the poor, the under-privileged, nor the powerless in the society. The truth does not make the market free, and the truth is that we only seem to hear about how we are a free market economy whenever we are pressured to spend money on social justice.

I cannot leave this honourable House here without mentioning something about the Chaguanas constituency. There is a myth that Chaguanas is a well-developed constituency. I want to dispel that myth tonight, because today at the level of local government the constituency of Chaguanas is in a state of ruin. Drains have not been cleaned for years, roads are totally broken up. There exists literally a very messy situation in Chaguanas. In fact, two schools have had to be closed because their toilets were overflowing. They needed to be repaired. With respect to the whole system of cesspits, the whole system of cleaning the drains and the slush in them, the local government authorities are saying that they do not have the funding, they do not have the will to be able to help in that respect. In fact, I am told Couva North is the same thing, in fact, the central region, the south region, the whole infrastructure at the level of local government has collapsed. I hope that the Member on the other side who is responsible for local government will take note of this.

Public utilities: At least 80 per cent of the electricity poles in the constituency of Chaguanas need to be changed. Agricultural access roads: Every day cane farmers come to me, they cannot bring their produce out. We want to stimulate agriculture. Well, I have heard about moneys being expended or at least allocated towards the development of agricultural access roads. I welcome that move. But I know allocation does not mean that the money is actually applied. Secondly, I also know that when those funds are being applied it does not mean that they will be applied in the areas which support the United National Congress.

I have had a personal experience with the old PNM. I have had to stand before them on the question of the Caroni Racing Complex, I have had to stand before them on the question of Guayamare. I know the PNM, and when I look on the other side I see there are still familiar faces. When I listen to the budget, it is like
deja vu. So I am going to be looking at this Government with a hawk's eye. I shall be stalking them in this jungle like a tigress, and when they make a bad move, I shall pounce on them and they shall feel the pain of my claws.

The people of Chaguanas shall receive their due; we shall ensure that whatever is due to them on a system of equality they get it. So, today, I am very distressed that we have a Chaguanas market—and, again, many women are affected by this—where that market is in a state of total disrepair, and when it rains, rats come out from under the pavement and run through the market, cockroaches run all over the market. Women have been selling there for 40 years—the PNM was there before—standing in the rain and in the sun, getting there for four o'clock in the morning and leaving eight o'clock in the night. Recently two women just dropped down—had heart attacks and almost died. I have been in contact with the market vendors and I know their situation. I expect that this Government will expeditiously ensure that plans are made to have the Chaguanas market properly built and upgraded.

The question of flooding: We are eight years towards the year 2000. Today we still have flooding. When the hon. Member for St. Augustine was in the former Government I know in those years we had a total alleviation of flooding. Since he has left, flooding continues to plague us and, recently, in December, flooding was once more a problem in Central, and I remember cases where cesspits have overflowed, drains have been filled up and those areas today are actually becoming infested with mosquitoes. There are millions of mosquitoes in the constituency of Chaguanas.

There has been a big deal about the Chaguanas Health Centre having a new nebulizer, and so on. There is only one. I went there yesterday morning and while one patient was using the nebulizer, an asthma patient, you had several others waiting. That is an unfair practice. When I spoke to the staff there, I learnt that 20,000 people and more use the Chaguanas Health Centre every year. The dispensary staff told me 200 people a day come to the dispensary for drugs. I also understand that the ambulance does not work all the time. In fact, I have had the experience; when accidents occur, citizens take these victims in their vehicles to the hospitals.

I also know that sterilizer drums are not being taken to be sterilized because the health centre does not have a vehicle to take these drums to the various hospitals. What I was told is that when the ambulance is going to the hospital, that is, if it is working, it is only then that they take these sterilizer drums. We
know the situation of AIDS in this country. We know about many other diseases, and that is a very serious state of affairs. So I am calling on this good Government, this caring Government, to upgrade and probably build a small hospital in Chaguanas where at least minor operations could take place, at the same time where they could service more than 20,000 people, because the Chaguanas Health Centre does not only serve constituents of Chaguanas, but also Caroni Central, and all the surrounding areas.

There is a special project on the Tahadille/Pierre Road. On that project $1.3 million is being spent. Today, the project is 95 per cent completed. I understand that it is going to stop at the end of this month, and the project managers are asking for $233,000 more. If that is not voted towards this project, it will stop at its 95 per cent completed stage. I am asking the hon. Minister of Planning and Development—who is not here—since I know it falls under his portfolio, to ensure that this does not remain a PNM white elephant. I remember many white elephants under the last PNM regime and so I hope that this multicultural complex at Pierre Road in my constituency does not become a white elephant.

Madam Speaker, it was President Truman who once remarked:

“Find me a one-armed economist, someone who cannot say, ‘on the one hand and on the other hand’.”

For many issues, like some of those I have spoken about, there is no "on the other hand". May I recommend to the hon. Prime Minister that he find a one-handed Finance Minister, one who will not give with one hand and take with the other. I suggest to the hon. Member for San Fernando East that we ensure that we get this one-handed Finance Minister who will formulate policies which will not discriminate against the disadvantaged.

We are on the last lap, as I mentioned before, towards the 21st century. We need new thinking and a new vision for Trinidad and Tobago. We need to have a vision of Trinidad and Tobago of tomorrow. The budget, unfortunately and disappointingly but not surprisingly, is about yesterday and not about today and tomorrow.

I recognize that our nation exists on the periphery of a world order which is competitive, contradictory, crisis-ridden and changing. This is why the UNC believes that Trinidad and Tobago requires a consensus developmental strategy for 10 or perhaps 20 years. Of course, this will require a new consciousness and a new political culture as we in the UNC are committed to developing. This will not
be achieved by merely paying homage to a formal and consultative democracy, but to a genuine commitment to a participative and real democracy. This is a challenge in the final analysis which faces the leadership of this nation.

Finally, Madam Speaker, I hope that the next occasion a budget is presented in this House, and if and when a new and relevant development strategy is being conceived, this Government is guided by a simple principle. This principle is in my heart, and it finds echo in the Gita, the Koran and the Bible, and it says:

"Those who have more should pay more, those who have less should pay less, and for those who do not have, a hand of solidarity should be outstretched."

I thank you.

The Minister of Sport and Youth Affairs (Hon. Jean Pierre): Madam Speaker, I congratulate the Member for Chaguanas for a very good speech and some advice, I am sure, that I have in my paper to present.

I welcome this my first opportunity as Minister of Sport and Youth Affairs to address this august body on plans for sport and for the youth of our country. Sport and youth development are essential elements in the promotion of human progress and national development. The Ministry of Sport and Youth Affairs, therefore, sees itself as playing a vital and energizing role within the overall framework of this new Government.

Allow me to deal, firstly, with the promotion and development of sport in Trinidad and Tobago. One of our primary tasks in the Ministry responsible for Sport will be to heighten national awareness of the importance of physical recreation and sport improving the quality of life of the entire nation, young and old, from the cradle to the grave. As we engage in this debate, Trinidad and Tobago is observing National Heart Week, and the statistics show that Trinidad and Tobago has the highest mortality rate per thousand from heart disease, when compared with the Caribbean and North America.

It is our duty to let our citizens know the need for physical activities. Well-organized physical recreation and sporting activity is a proven antidote in reducing the incidence of heart-related illnesses. In addition, it contributes significantly to mental alertness and emotional stability, all of which serves to enhance productivity in the work place.

Sport constitutes one of the most effective means of improving social interaction. It fosters self-awareness as well as self-discipline; it assists in
building interpersonal skills, teamwork, confidence and leadership. Madam Speaker, it provides positive alternatives for the use of leisure time and is thus one of the most powerful weapons in the fight against drugs and crime.

Sport also offers important commercial opportunities—opportunities for the individual athlete, opportunities for business creation, and employment generation as well as opportunities for increased foreign exchange earnings through tourism. The potential benefit of this aspect of sport is immense when one considers that some half a million people in Trinidad and Tobago are directly or indirectly involved in some sporting activity.

I now turn to the role of the Government in sport and physical recreation. The role of this Government will be that of a facilitator, assisting in the promotion of sport, and the creation of proper infrastructure and environment for the development of sport. Our strategies will be guided by a number of fundamental considerations. Some of these considerations will be: sport and physical recreation must be broad-based in approach, geared towards the mass of the population; the development of sport be a partnership among the state, national sporting organizations and private-sector bodies; training, sound sport management and administration are absolutely essential in order to maximize the benefits to be derived from sport; technological advances must be employed to achieve excellence; we must stay abreast of the rest of the world. Based on these considerations, my Ministry will seek to build cohesive, integrated and effective programmes for sport and physical recreation.

Encouragement will be given to persons of all ages to engage in sporting and physical recreational activities. To this end, a joint national fitness-for-life programme will be introduced. Coaching at community level will be promoted. Adequate attention will be given to programmes for the handicapped and the senior citizens. Additionally, opportunities will be provided for those who participate in competitive sport to improve their skills and performance towards the achievement of the highest national and international standards of excellence.

Trinidad and Tobago has achieved excellence in sport and other related activities and we must continue to strive towards maintaining our high achievement. In this context, the Ministry's Sports School programme and the Ministry's various youth teams will be used to prepare young people for participation at higher levels. The Ministry will continue to give support and financial assistance in the training and preparation of national teams.
The development of sport and physical recreation must include the provision of an adequate human and physical infrastructure. The Ministry will therefore pay particular attention to the training of coaches and trainers, as well as take measures to strengthen sports management and administration. We will seek to facilitate arrangements for national sporting organizations in obtaining access to available financial assistance, and we will provide the long-awaited secretariat for national sporting bodies. The necessary maintenance and upgrading of sporting and recreational facilities will also be engaging the attention of the Ministry.

I turn now to the Ministry's responsibility for youth affairs. We have all stressed the importance of our youth in nation building. The young people of Trinidad and Tobago are our investment for the future. As plants need nurturing to flower, so too do the youths. The total development of our young people will enhance personal growth and productivity and make a significant contribution to national life. Total development—who is not here—the holistic, as my Friend across there spoke about; we said it just in a different way—will include physical and emotional health, intellectual advancement, economic well-being, social and recreational pursuit, facilitating a proper self-concept, enhancing the family unit, and spiritual growth.

In the concurrent socio-economic situation, the young people of Trinidad and Tobago have felt the hardships and frustrations of adjustment more than any other age group in the society. The youth population between the ages of 15 and 24 years represents 17.51 per cent of the population, or a total of 214,925 persons. While the 1990 national unemployment level was 20 per cent, the unemployment level for the age group 15 to 19 years totalled 45.6 per cent. I wish to repeat the age group, 15 to 19 years, total 45.6 per cent. Unemployment among the 20 to 24 age group amounted to 31.3 per cent. Youth unemployment is therefore nearly twice the national level, averaging 38.5 per cent.

Added to this grave problem of unemployment, our society is plagued by a breakdown in family life, and the unproductive and counter-productive use of leisure time, as evidenced in the prevalence of vagrancy, crime and drug abuse. We are very concerned about our youth, because we see the vagrant, the drug user, those involved in crime are now getting younger and younger.

Such is the magnitude and urgency of the challenge which faces us in relation to our youth population, a population whose input is critical to the national development effort. In carrying out its mandate, the role of the Ministry will be
that of a co-ordinated and implementing agency, responsible for youth development throughout Trinidad and Tobago.

7.25 p.m.

While numerous programmes for youths exist in the public and private sectors, the majority of these programmes operate independently of each other, without any form of linkages. I repeat: The majority of these programmes for the youth operate independently of each other, without any form of linkages. The Ministry will attempt to establish the necessary co-ordinating machinery which will prevent duplication of effort and the consequent waste in human and financial resources.

In this context a National Youth Development Advisory Committee will be formed. Training for employment will constitute a major part of the Ministry's youth programmes. Such training will reflect current demands in the marketplace. It will be accompanied by effective placement service as well as services to assist in the establishment of youth enterprises, as a means of providing direction, purpose and drive for young people at what may be described as their most vulnerable period. The Ministry will intensify its leadership programmes and will encourage and assist the formation of youth organizations. The National Youth Council will also be resuscitated in the current year.

I have sought to enunciate Government's policy and plans for sport and youth affairs. I submit that if successfully implemented these programmes can serve as a preventative mechanism which would lead eventually to a significant reduction in expenditure on such things as health care, crime prevention, and drug rehabilitation. The investment we make in the youths of our nation and in the development of sport and physical recreation is an investment in healthier living, self-fulfilment, and nation building. The task ahead is immense but we are confident that we can meet the challenge.

Finally, I wish to take this opportunity to invite all national sporting organizations, the business community, and all citizens of Trinidad and Tobago, especially the youth, to support this proposal to ensure that a progressive and dynamic approach to sport and youth development is realized. I thank you.

Dr. Carl R. Singh (Tabaquite): Madam Speaker, history has been written by your appointment to the Chair of this honourable House. I congratulate you. I wish you well. To the Member for Port-of-Spain South, I extend congratulations on her precise presentation.
I ask myself this question: Is this really a new beginning? Is it really what we are going to get? Or is it an ominous sign with a new PNM Government, a new year, and a new Parliament? I hope for the best.

I refer to this budget as a "shifting budget", having shifted the 15 per cent purchase tax on books to sugar. As you would appreciate, Madam Speaker, children will go for sweets, any day, before reading books. By saving the average family $100 or $75 by the end of the year in the purchase of books, I am sure they will spend three times that on sweets where a comparable taxation on the other side would increase their cost three times.

The reduction of the taxes on school books did not go far enough; it has just carried out a promise—"we are going to remove taxation or VAT on school books". What really should have followed is that the standardization of textbooks should come in pari passu so that not every year you are going to buy a new book for your children down the line; as of old, you would be able to pass down the books rather than adding two pages and selling a new textbook.

With the announcement in the budget of consolidation of COLA and the two per cent increase to public servants, I am sure that the addition of this sum to the existing salary scale will move many of these employees from one tax bracket to another. When the budget was read on Friday, I saw bright smiles on the other side. I am sure, on the other side, there was a considerable amount of disappointment, for I am sure that with the new rates and moving up into another tax bracket, their take-home pay will be definitely less.

I shall spend some of my time, on health. I quote from part of the Constitution of the Republic of Trinidad and Tobago, section 4 (a). It says:

"The right of the individual to life . . ."  

Pari passu with this constitutional right, is prompt and adequate medical attention.

Mentioned in the 1992 Budget on page 26, relative to health there will be a removal of VAT on certain or selected over-the-counter drugs. Am I to believe that prescription drugs are still or are going to be vattable?

Hon. Member: They never were.

Dr. Singh: Trinidad and Tobago, is a member of the United Nations, and I take it that Trinidad and Tobago supports the UN Declaration on Health, the Declaration of Health for all by the year 2000 at Alma Ata, using the primary
health-care system strategy to make health indeed a reality. The primary health-care system consists of the health offices and the peripheral hospitals. The secondary health facilities comprise the Port-of-Spain General Hospital, San Fernando General Hospital. And at the tertiary level, we move to Mount Hope where some people believe there is no hope.

7.35 p.m.

Looking at the draft estimates figures over the years 1990, 1991, and 1992 Expenditure—I would use the nearest whole numbers—$477 million in 1990; 1991, $575 million scaled down to $519 million, with a development programme estimated initially at $40 million which was eventually scaled down to $16 million. In 1992, Madam Speaker, $574 million and a Development Fund allocation of $58 million. Looking at these figures, one can see the trend in the health services rendered to our citizens of this country. I myself have worked in the Ministry of Health from 1960 to 1985. Two of those years were spent at the hospital in San Fernando and 23 years were spent in the district services, and I can say that over the period of years the service extended to our citizens has deteriorated. But the fall has been catastrophic over the last five years. Indeed, sometimes you tell a patient, “I am sending you to the hospital”. He says, “Well doctor, please do something for me so I can stay at home. I will prefer to die at home.” With this estimate for this year and with the natural growth of our population, added to a sizeable number of Trinidadian “refugees,” who have returned from the North, a tremendous amount of pressure is going to be placed on the medical services. The health services were described by the last Minister of Health in the NAR regime as being "in crisis".

Our primary health care consists of approximately 102 health offices spread over the country, with an average attendance per health office of one per 11,000. The press is replete with complaints of things existing in the health centres. I remember, myself, attending in a health office where, in a session of about two and a half to three hours, 120 patients passed through the doors. What can we do in a situation like that? A total of 120 patients in about two to three hours. That is less than two minutes per person. The condition remains practically the same. You go to the health office, the druggist/doctor proportion is less than one, and in the District Medical Services the experience has been that you, as the District Medical Officer, are also the Police Surgeon in your area. You can be called away at any time from the health office to attend to a police matter—crime, post mortem examination, attendance at court, coroner, etc. These are the
pressures placed upon the District Medical Services. So then this is where the problem arises.

We do not have the staff—and this goes for the nursing staff—the other paraphernalia, the mechanism for testing for the basic conditions like diabetes, hypertension and other similar and common ailments that you find in the peripheral health services. When the peripheral health services, which is the major link in any health system as a screening unit, is not functioning properly, you find that the secondary level is inundated with patients coming from the health centres to get basic treatment there, and these institutions are also poorly supplied with staff, equipment and medicines. Look at the San Fernando General Hospital, you can hardly walk sometimes in the corridors. Beds are all over the place. Sometimes a patient may go to the hospital on a referral for admission, and the patient would sit on a chair for six to eight hours before he or she can get somewhere to lie down.

Now, I come to Mt. Hope Medical Complex, which I describe as a lovely piece of real estate. A former NAR Minister of Health has described it as a magnificent structure beside a dilapidated health service. I can see no connection where Mt. Hope can be brought on stream with the primary and secondary health care system. A former PNM Minister of Health said, “Mt. Hope is a bottomless pit that will continue to gulp a super abundance of scarce public funds” and urged the Government to extricate itself from the stampeding white elephant that it has become. Again I quote from the Sunday Express September 29, 1991:

“The wonder remains how a Government as sharp as Trinidad's could have proceeded with such a project...”

writes Malcolm Dean in the June issue of the British Medical Journal, The Lance. This planning, coincided with the call in 1978 at the Alma Ata Conference for more concentration on primary health care. You are hearing what they are telling you—stress your primary health care, but you are going on to tertiary health care.

I remember in the early 1980s medical officers were sent to America to do training for cardiac surgery. This is not the way this thing must be done. Every chest you open, every heart ailment you go to put your knife on, is a different one, notwithstanding the technology and the investigative procedures we have. These officers returned and, believe it or not, equipment followed. I do not know what has become of that equipment, but it was never put to use. Mt. Hope, built at
a cost of about $657 million with about $150 million in equipment, needs a medical staff: doctors, about 150 and nurses about 1,000. Now we must remember, that the practising nurses in our country number about 1600—1800. For some reason or the other the Government stopped training our “Nightingales”. Indeed, quite a few of them flew to greener pastures.

7.45 p.m.

Mr. Sudama: A delayed flight?

Dr. Singh: Today, the Complex is partially occupied or commissioned; there are about 250 employees and it costs about $150 to $200 million per year. Can you imagine when it is fully commissioned with a staff, both lay and otherwise, of about 2,000, what would be the cost? We have budgeted for $574 million, and if Mt. Hope is going to take three-quarters of that, what is going to be left for the primary care system? This is the question we must ask. The health of our nation is an investment in the future, and if you do not have a healthy population, your production, in whatever field, would fall dramatically.

We on this side suggest very strongly to the authorities, that early steps be taken to seek out foreign input for the running of the Mt. Hope Medical Complex. It is not a hospital for treating aches and pains. With this type of arrangement we can maintain our national input of students by agreement. We would have technology coming which we may not have; we may have foreign investment coming, and this would, to some extent, stimulate our economy too.

I remember as a medical student the Faculty of Pharmacology had a little ten-by-twenty room. During the McCartyism era in the US, an eminent professor of pharmacology came to our faculty, and in a matter of less than six months, most of the physiology and the other parts of the medical college, were taken up with pharmacology and pari passu funds started to flow for research.

You see, research is something you are going to spend $10 million and find nothing, but the $10 million has been spent. We cannot afford that. We can get help from the eminent drug companies to do research, particularly oriented to our setting in the tropics. This is the type of thing that Mt. Hope is suited for—research, post-graduate studies, and not to be brought into the mainstream of the medical services of Trinidad and Tobago.

We on this side are aware of the need for advanced diagnostic, surgical and other specialized facilities, however, not at the expense of the broad-based health care system that caters for the majority of the population. Simply put, the old
PNM have bitten off more than they can chew. The complex has the ideal setting for post-graduate studies and research but we do not have the funds for that. You are aware that we have had offshore medical schools set up, I think it was in Grenada. This is an ideal opportunity to have such a school set up here, because we can be guaranteed that the annual intake of our own nationals in this medical school would be sufficient to maintain the ratio of doctor/patient as the years go by.

We on this side would remove VAT completely from all medicines, be it a sticking plaster, a panadol, aspirin, a wheelchair, a brace, a crutch. Whatever you have, none of these people who purchase these things are buying it for fun.

SITTING OF THE HOUSE

The Minister of Local Government and Minister in the Ministry of Finance (Hon. Kenneth Valley): Madam Speaker, I beg to move that the House continue sitting until 10.00 p.m.

Question put and agreed to.

APPROPRIATION BILL
(BUDGET)

Mr. Valley: Madam Speaker, I wonder whether the hon. Member would give us some indication with respect to the cost of removing VAT from all medicines.

Dr. Singh: Madam Speaker, as I was saying, we have approximately six to seven per cent of our population in the age bracket of 60 to 65 and above. If these figures are extrapolated from a population of 1.2 million, we have about 70 to 80 thousand people. With longevity goes certain chronic ailments: hypertension, diabetes, coronary artery disease, arthritis, degenerative joint diseases, to mention a few. Believe it or not, many of these people of this age journey to the drug store at the corner to buy their regular panadol, which is vattable, and methyl salicylate to anoint their joints and muscles.

As a nation let us sympathize with our senior citizens who have built the foundation for the present and let us not turn our backs on the less fortunate members of our society, for these are the citizens who have shed their sweat, blood and tears for this nation. I say VAT must be removed from all medicines.

I turn now to one of the very important commodities in the promotion of good health and this is a water supply. On the morning of December 17, 1991, when the election results were known, I was called at around 6.00 a.m. by a constituent
who complained that he did not have water, pipe-borne or truck-borne, for more than one week. I have lived in this area for 25 years. This is a common complaint, I think, in the country all over, not only in Tabaquite. But what bothers one is that the Navet dam is just in the constituency; we have the reservoir there and we are not getting the water. Why? Having been living in this area for this length of time, when I drive down from the DMO quarters to go to the health office, what do I see? The pipelines are laid; there are standpipes, but what you see on many occasions is truck-borne water; receptacles uncovered, tanks, barrels are on the roadside. This is indeed a health hazard. Anything can happen to this water on the roadside.

7.55 p.m.

One would ask the question: Why do you put the pipelines and the standpipes? Do you have at source the water to push through these lines and or do you have the means to push it through? Or is it just a dressing and you are fooling the people? You have pumping stations scattered over the constituency, you have lines laid, standpipes on the roadside and no water to come through. Are we paying for a dual type of water supply, a truck borne pari passu with the pipelines? When money was no problem, we were not even able to provide a sanitary, clean and permanent water supply to a mere 1.2 million people. What is the problem?

I turn now, briefly, to old age pension, and I quote from the PNM manifesto at page 39:

"The PNM has always recognized the contribution of our senior citizens to the development of our nation. We are convinced that it is a civilized society that takes care of its aged."

The new PNM Government has proposed to increase the old age pension by 10 per cent, which is just about $1.06 a day. We in Trinidad and Tobago are accustomed to our soft drink. Pari passu, with the increase in the price of sugar, I anticipate an increase in the price of soft drink. Prior to this, you could have probably purchased a soft drink with a dollar in a returnable bottle, mind you, not in a disposable bottle. With the present increase in the price of sugar, I doubt very much that the old age pensioner will be able to buy a soft drink, which is none of the important drinks in the lunch time meal.

In addition to this, having increased the old age pension to $347, the old age pensioner has to pay for his room, he has to pay for clothes, he has to buy food
which was not exempt from VAT. He has to also travel to go to the post office or bank to collect his cheque; again, increase in car fare—it is inevitable, but this is going to come. Whenever petrol price goes up, with it everything goes up, because if you are living in Toco and you buy goods in Port of Spain, you have to carry them to Toco to sell; you must charge more for them.

This country continues to treat our senior citizens like second class and derelicts in our midst, and this is amply reflected in the stunted development of geriatric medicine in Trinidad and Tobago and the paucity of services, programmes and amenities designed specially for them. According to a population projection by the Central Statistical Office, in their Annual Statistical Digest, 1990, by the year 1995, there will be about 138,000 persons between ages 55 and 80. Is this Government prepared to deal with this? Has the Government any programme in place to provide homes, recreation and facilities for our senior citizens?

Members on this side have alluded to the raising of the ceiling of old age pension. By a stroke of magic, by a stroke of mathematics, an employee who has worked all his life, say, in the sugar industry may get a pension, he has contributed towards that. From his contributions to the NIS he would also get one. These two figures can be easily put to cross $5,000 a year, and bingo, no old age pension.

We on this side believe that old age pension should be paid to all persons who reach the age of 65. Indeed, it is a right, having lived to reach this age of 65 with the stresses and strains over the years, it is indeed an accomplishment for which they should be paid the old age pension.

The Tabaquite constituency that I represent in this honourable House is basically an agricultural area. As I mentioned before, I have lived in this constituency for 25 years. The roads have been bad. Of late, the Guaracara/Tabaquite Road has practically become impassable in certain areas. Garth Road is being partially repaired but it does not last. I have been inundated with complaints about electricity, the water supply and telephones. Water, which is one of the most important commodities in the maintenance of good health, sanitation, etc, is terribly lacking. Something has to be done and I do hope that the legacy left by the old PNM will be corrected by the new PNM for they have been part and parcel of that legacy.

From Tabaquite to reach medical attention, say at Marabella, San Fernando or Gasparillo, if the roads are good, it would take about half an hour but in the present condition, between one and a half to two hours. Imagine you are transporting an emergency, anything can happen in two hours’ time.
Madam Speaker, to sum up briefly, the new PNM Government has taken down the dragon from atop the Red House and has placed it figuratively in the fuel tanks of the motoring public. When it belches, I am sure the cost of living will rise to anything about 20 per cent.

We on this side believe sincerely in true democracy as it is defined: Government of the people, for the people and by the people, something that the last administration learnt a little late. Thank you, Madam Speaker.

Mr. Mohammed Haniff (Princes Town): Madam Speaker, I have come to this House to offer my services and my co-operation. It unfortunately did not take me very long to start getting some disappointments.

I have heard some statements from within and out of the budget speech such as “no jobs for the boys”, “new PNM”, “we care”; I ask, for whom? Only yesterday it was brought to my attention that those who were not successful in the election in the constituency of Princes Town and others are now filling places on the advisory committees of the regional bodies. So it appears that it is not only boys, but both boys and girls as was expected, of course. Why therefore the statement?

8.05 p.m.

It has been said that the road to hell is paved with good intentions, but having listened to the hon. Minister of Finance, I am forced to believe that what is written in the PNM manifesto and was made to appear as good intentions is in fact the true road to hell. That is what I have seen.

I have heard a lot today about compressed natural gas. Since there are so many benefits to come from natural gas, and since it will cost approximately $7,000 to convert a car, let me inform this House and this Government who, unfortunately, may not know, that a very high percentage of vehicles on the road are around that value, $7,000. You know, the daily paid and the unemployed, the “PH” drivers, they operate with cars in that price range. That is no laughing matter. My own car is in the range value of $14,000. Am I to pay 50 per cent of the cost of that car to convert it? I offer to this Government the bold suggestion that those unfortunates—the daily paid and the lower level of the monthly paid, who have just graduated above $20,000 annually, and who will have to pay more tax—a subsidy on the conversion to natural gas should be given to them, if you are serious about implementing this measure.

Madam Speaker, I have spoken about the road to hell because with the drastic hike in gasoline prices it is certainly going to be real hell for our people,
especially the middle and lower income groups. Please do not let us ever forget that there is a very high percentage of our population who are not income earners. They have no income at all. That is the kind of hell I am talking about. I am referring to the thousands of unemployed and further thousands of underemployed, their families, including their school children and other children. Disappointments will not deter me, I assure you. Just like my colleagues, I intend to continue to do my best both on my own and in collaboration with the hon. gentlemen who are known as Ministers.

I know that VAT on school books has been removed, but that is exactly the point I am making. There are thousands who cannot and have not even been able to face the book stores to purchase those very books. That is the point I am making. The result is that they cannot therefore benefit from the concession offered by removing VAT on school books.

Much more than that, while they cannot benefit from that, their parents are being called upon to pay more for travelling on a daily basis. Did I hear someone say that the prices will not go up? Madam Speaker, let me assure you that the prices have already gone up. There is no doubt about that. Children are making it for miles upon miles on "P2" as it it called in the countryside, that is their two legs. How about the general effect of the increase to the travelling public in the price of fuel? To the maxi-taxi drivers and the taxi drivers, the prices of the goods and services must all now increase because of the transportation cost. It bears a direct cost on every single aspect of life and operation. It has an effect on tyres, spares for vehicles, engine oils and on all other components that are made from oil. Will these unfortunate low income groups be able to make it? I have my doubts. Will the maxi-taxi trade and the taxi trade and the others in that grouping be able to survive? I have my doubts because of my disappointments in the very budget which has been presented by this “caring” Government. Madam Speaker, I shall come to the effects as I continue my contribution.

I go to the roads and the Ministry of Works and Infrastructure and I am of the view that there is a plan. I have always wondered why it is most of our roads continue to be bad day after day, year after year. I have therefore come up with the suggestion that perhaps those who control the economy are doing it in such a way that the roads will continue to be bad so that we shall have to continue to suffer and buy the parts and “mash up” the vehicles. I have heard over the years that those who are Ministers and Prime Ministers do not normally control the economy. I have heard talk like that and I wonder whether it is not deliberate that
the roads remain in that condition. Perhaps that is one way of ensuring that the vehicles do not last long and, at the same time, also ensuring that the spare parts will sell even faster than the foodstuff in the groceries.

8.15 p.m.

You know, parts are not produced in his country and so it takes foreign reserves to buy them, and the quality of the parts is unfortunately bad. It is my humble view that we can save these scarce foreign reserves if we invest in improving our road system and at the same time it will encourage the farmers and others to produce more. We do not get first-class parts in this country. Who is responsible? I know there are certain agencies with the responsibility. They have not performed in that context. The parts are wearing very fast. What are the eventual effects on the present situation?

I have not done a complete survey of the roads and traces in this country, but I shall attempt to give a brief idea of what the situation is in the constituency which I have the honour to represent. I often wonder how it is some people behave as though they do not know the conditions of our roads, drains, traces, streets and access roads. I come from the countryside. I come from Princes Town. I have been in the local government system and I know what it is to be bothered day and night by those who cannot get the services they deserve and to which they are entitled.

I shall try to give you an idea of what operates in Princes Town. Unfortunately, Princes Town has been left aside without the kind of attention that citizens deserve. I wonder whether Princes Town was not part of Trinidad at one time. To make it worse, for the last two terms its representatives have been Ministers of Government. I intend to change that even though I am not in government, because I have already spoken to the hon. Minister of Works and also the Parliamentary Secretary in the Ministry of Works, for whatever reason however, the condition remains as bad as it was. I hope that pattern will change and that Princes Town and the southern constituencies, including, of course, La Brea, Point Fortin and Ortoire/Mayaro, will get what they deserve.

We are talking here about the principle of equity, and reasonable distribution where it is observed and required to develop our economy. I must, however, have some hope as I look across and see the Member for San Fernando East. I recognize that he is the hon. Prime Minister for this country and this is the first time that we are having a Prime Minister coming from the South. I want to give him the opportunity of offering to the South some of what they rightfully deserve,
that is, however, if he is really in control. As I have already said, I have heard otherwise. I do not wish to dwell on that. This is not only my expectation. It is the expectation of the people of the South that the Prime Minister, having come from the South, will give a little more attention, if not much more attention.

I intend to give the new Government some chance to show how it intends to implement some of its many proposals outlined in the manifesto and campaign promises. As I said, I look forward to a proper survey of the conditions of our roads and infrastructure generally. It would help the hon. Minister; it would help all of us to understand what is outside there in terms of the infrastructure that needs attention.

I will give you an idea. In Princes Town the Ministry of Works is responsible for at least 85 miles of roadway made up of 33 different roads. My own estimate is that approximately 25 miles is in a reasonable condition None is in a first-class condition. Out of the other 60 miles, at least 50 per cent is in the worst possible condition you could think of. I travel every day. This is no exaggeration. In many cases, it is nothing short of a total disgrace and disregard for people. The drainage and other infrastructure works are also in a very bad shape. Other works, like retaining walls, curb and slipper drains, box drains, footpaths, rivers and swamps need attention. Princes Town, like many other southern constituencies, has not very many employment opportunities, so people have to make it on their own. In Princes Town we are famous for growing food but the facilities are bad. We need that kind of attention.

My information is fortunately, that in that constituency at this time only one bridge is broken down, but there are several others that will break down very shortly if not attended to. They need urgent attention. In the Princes Town constituency, we have more landslides than in many other areas, with houses completely destroyed along the Moruga Road and the Mandingo Road. We have tried to help. I have taken the responsible Minister of the last Government; I have taken others, including officers of NEMA. No help has come the way of these people. They have to go to their relatives and their families have to split up. No fewer than 10, probably more, families have been dislocated and dislodged and are in desperate need of help in the form of housing and other accommodation. I assure you that there is no exaggeration in my estimate, rather if a proper survey is done, I have no doubt that the reports will be worse.

Let me assure you also that I have already informed the hon. Minister and he has indicated his willingness to visit the constituency of Princes Town. I have
already indicated that I have spoken with the Parliamentary Secretary in the said Ministry of Works, with whom I have worked in other organizations, namely, the National Union of Government and Federated Workers and the Association of Local Government Authorities. I pray, to the contrary of what I have heard, that this goodly gentleman will be given the opportunity to use his discretion, and function.

8.25 p.m.

Because the kind of relationships that we in local government have been able to establish across party lines; I can boast about that. In this honourable House there are quite a few of us who have come from that system that really caters for the poor and the everyday needs of the people of this country. I am looking forward to working with these two gentlemen—the Minister and the Parliamentary Secretary—and others against all the odds, to see what best can be done.

In the transport section, where I am directly attached—the Ministry of Works—there is no proper accommodation for the workers, not even the proper tools. Every morning the tyres go. On many occasions the vehicles are parked up for lack of fuel. I hope that there are others who are aware that what I am saying is the truth. I am associated with that system. No less than 40 per cent of the equipment is down for repairs and has been down for a long time. I wonder what it takes, if the funding and the parts will ever come to repair that equipment.

I once heard, not from those before me today, that there was a plan. That statement was made about three years ago, somewhere in Ortoire/Mayaro, by the then representative, that there was a plan to close down the transportation system of the then Ministry of Works and to give that work out to contractors. My immediate response was, that is the context in which we have grown accustomed to hearing about kick-backs. So I am hoping that the authorities on whose shoulders that responsibility is now placed will understand that the transport section not only of the Ministry of Works, but also of the transportation system is the key to operations, and if anything, they will make the necessary arrangements to strengthen, rather than otherwise.

In the Ministry of Works there is a section known as the Building and Maintenance Section, with responsibility for the general upkeep of the buildings. In this section it is no different—with a shortage of the required funds to provide the necessary materials. We are speaking here of electrical works, plumbing works, carpenters and masons for the repairs of the structures, security system,
yard and environmental works. All are very badly lacking to the extent that many buildings are now beyond repair. Of those buildings that are still in a condition to be used, I strongly recommend that a proper survey be done to ensure that they are used for the purpose they were originally intended, and that they are occupied by those who are entitled so to occupy them. I have information that a good percentage of these are occupied by those who are not supposed to be occupying them. I can provide information to that effect.

Unfortunately, Madam Speaker, in this Building and Maintenance Section, some years ago, prior to the advent of the last PNM Government, the workers in that section were asked around the close of the year to reduce their work days from ten days to eight days for a short period because of a funding situation. I know you might be surprised to know, but the workers complied with that suggestion not because they wanted to, but in the interest of co-operation, and I think the union offered some support in that regard. The unfortunate thing, however, is that up to today they are still working eight days while they are entitled to 10 days and the junior workers in other sections continue to work 10 days. I am looking forward to the restoration of that arrangement to which these workers are entitled.

I have heard about the Solomon Hochoy Highway and the landslip and when I heard March, I said, okay, we will hold the strain then. When I later heard August, I was a bit taken aback. I wonder, how it is I have heard about the expected completion of this project, but I have not heard about the cost. I hope it will be provided. Is it a situation where they cannot estimate the cost? I hope they will provide the cost.

At the same time, there is a road at the side that I used—I forget the name of the road now—some time ago, because of the back-up of traffic on the highway—Springvale Road it is—and I am really disappointed that no one, the workers, the staff, the senior staff, the Minister or anyone coming from the south—we have a number of responsible Ministers coming from the south—has seen it fit to even repair the potholes on Springvale Road, which is heavily used now, so that access could be had to Caroni and back onto the highway, et cetera. So I am giving you a little idea of what operates in Princes Town. I have just deviated to talk about the Solomon Hochoy Highway.

I cannot end any discussion or reference to the constituency of Princes Town without mentioning the market which is long overdue there, the construction of which we have been hearing about for a long time. Facilities for the vendors are
almost non-existent. The fact is that because of the lack of employment opportunities, more and more vendors are coming out every day hoping to earn an honest livelihood. We have heard about this new market for Princes Town for over 15 years now. The situation in Princes Town is congested. It is bad in terms of marketing facilities.

The police station in Princes Town is outdated and leaking. It is in bad shape. I must take this opportunity, in all honesty, to compliment the officers who continue to operate under those conditions. The only thing I ask is, how long shall it last, when will it end?

The Princes Town Hospital, as it is known, is really in the constituency of Naparima, just over the road, but it is considered "Princes Town". It is in a terrible shape. The facilities are badly lacking. But my colleague has dealt with health to some extent. That hospital should be catering for a large catchment area but there are no facilities. The norm is to pass Princes Town Hospital straight and go to San Fernando to be disappointed in terms of medical treatment and care. There are two health centres, and if I add the one in Princes Town, it is three; 15 primary schools, two junior secondary, and one senior secondary. Every one needs repairs and/or furniture and upkeep. They are in bad shape.

In the constituency of Princes Town, in the local government system, there is approximately 48 miles of roadway for which the local government is responsible, made up of 130 streets, roads or traces as they are referred to. At least 50 per cent need urgent attention. At least 15 bridges cannot be used as a result. The drains, the landslide, the cemeteries, the recreation ground, the abattoir, most of which are in very bad condition. Notwithstanding all this, I am very pleased with the performance of the workers who had to make do with whatever little funds were made available to the local government body over the recent years.

Of grave concern too are private areas, private areas in the sense that developers have developed in Princes Town and other parts of the country. They have sold lots of land and they have disappeared. What they have left are some roads that were not properly done, and as a result they need attention. If the orphan roads and the agricultural access roads are developed even to some small extent, what we will find is more production; more earnings generated in this country for the citrus farmer, the cocoa and coffee farmer, the rice farmer, the poultry farmer and all the farmers and other producers who are willing to go onto the land and produce. But they need to be encouraged, they need to get the
facilities that are so badly lacking, at a time when we are importing food from other countries and using up our scarce resources.

I say to the goodly Ministers of this Government that the citizens who live in these private areas are taxpayers like anybody else and need attention. We cannot leave it to DEWD, LIDP and other agencies. No agency is taking responsibility for these areas. There is need to put in place a proper plan to deal with these routes. I have made this call in many other places and to many other Ministers over the years. But I am hopeful, so I make the call again today for us to make a genuine effort to bring some relief to the suffering ones.

Since this is not the case in only one constituency, and all of us know that this is basically the case throughout the country, except, perhaps, the cities and other built-up areas, I ask, what is the plan? Is there a plan? Is there any plan within the budgeted allocations to make any attempt to attend to some of these problems? Fortunately, we have the road-building materials in this country.

Is there really going to be the type of consultations we have been hearing about? It is one thing to hold consultations and it is something totally different with the willingness and the intention to implement the ideas which come from these consultations. Is there going to be a pattern of equity in the distribution of the available state resources? I have heard about it and we all look forward to it. We cannot dwell in the past and I do not wish that we do, but I am looking forward to the plans and the intention and the will. Is it there? Is the present Government in a position to really generate the interest to win the support of the people of this country in terms of confidence, in terms of getting the job done? The resources are there; if they are properly utilized and the encouragement of our people is there, much could be done.

True development is about bringing about better standard of living for our people, generally, but especially the less fortunate. Does this budget offer any hope of improvement? I am not a pessimist, but I still look forward to the new ideas which may still come forward and bring about the kind of hope which is expected, especially since the election has just taken place and a new Government has been installed. I do not see that type of hope generated in the budget. I speak about the hope for our thousands of unemployed, our youth, our grown-ups, who have never had an opportunity. That is the kind of hope I spoke about.

I turn to T&TEC. Recently there was an interim increase of 12.8 per cent allowed for electricity rates. I ask, how about the 29 per cent they are looking for? I saw a number of other charges on the bill, including fuel charge. I ask, in
the present circumstances, with the increase of fuel announced in the budget, is it likely that the rates will go up further for the supply of electricity? What is likely to happen now in the light of the increase of the fuel costs announced in the budget by this “caring” Government? What percentage of our citizens will not be able to meet their bills, and will be forced to give up the use of electricity? How about the possibility of extension into the areas where there is no supply?

Is the hon. Minister of Public Utilities aware of the very high frequency of outages and load shedding? I hope he is aware. I do not know to what extent it happens in North Trinidad. I can tell you that the area where I live and from complaints that I have been having, it is terrible, just as though on every occasion there is a need to share the load, it happens in those areas. Much more than that, what we experience is that appliances are damaged almost every day—without compensation—because of the fluctuation, *et cetera*.

I have heard one of my colleagues mention the rotten poles, *et cetera*. Indeed it is bad, and I wonder whether within the budgeted allocations there is any hope for improvement. I look forward to improvement in the quality of service.

The street lighting situation is a problem in itself, and I look forward every day to an improvement in this area, especially in a situation of high crime rates all over the country. I have had a terrible experience with T&TEC in this context. As I said before, I have been involved in the local government system and I have been approached day and night on a continual basis. There are cases where these street lamps have not been repaired for three and four years. I had to actually refuse to sit with some of the T&TEC officers and threaten to placard them, and eventually a little assistance came. But in many areas—not only in Princes Town is this the case—all over the country, the situation needs to be attended to urgently.

I now make a brief examination of WASA. Many of our citizens in this modern age, after more than $60 billion passed through the hands of Government, are without this very essential commodity. What makes it worse—in years gone by, one could have gone to the ponds and the rivers, today they are polluted, you cannot go there. The lines are old and rusted in many areas, with leaks causing havoc with landslides in many parts of the country. So while a lot of water is wasted in many parts, people cannot even get any for use in many other parts.

Many people do not pay their rates, not because they do not wish to pay them, we are a law-abiding people. It is a straight case of people being unable to pay the rates in many cases. Every year millions of dollars are spent on water-trucking by WASA in the areas where there are existing lines. Millions of dollars are spent in
that area. My research tells me that in 1990, $3 million was spent by WASA in the areas where there are lines; in 1991, $3.5 million.

During the dry season the local government bodies are called upon to supply water in the areas where there is no pipe-borne water. In each county council area, no less than $1 million is spent annually on water-trucking. If we add them both, we will realize that if that sum is used up front, lines can be provided and people can get water in them, rather than the racket which is known as water-trucking.

As a result of these comments and observations, I ask very humbly whether the budget offers any hope for an improved system by WASA. I have had the opportunity to be involved with the National Commission for Self-help. I was a founding member of that commission. The unfortunate thing is, some people behaved as though self-help was born some time in 1987. Long before that in all the local government bodies we had been practising self-help; long before that self-help was known by all; every community, every old person, every young person. But some, wish to believe that they introduced it.

What about the commission, itself, which has done a good deal of work in many areas? There was heavy political interference, especially coming nearer to the recent elections, to the extent that the applications that were there long before those that had been attended to around election time, are still there. I call for the decentralization of the National Commission for Self-help. Put it in the hands of the local government authorities where it rightly belongs. The people in the communities would therefore be part of the facilities that they want to put down, the utilities.

Madam Speaker: The speaking time of the hon. Member has expired.

Motion moved, that the hon. Member’s speaking time be extended by 30 minutes. [Mr. R. Palackdharrysingh]

Question put and agreed to.

Mr. Haniff: As I was saying, Madam Speaker, I am one of those who have confidence in the people of Trinidad and Tobago. Where we go, people are prepared to put their shoulders to the wheel and help themselves, but it must be done in a systematic way. It must be recognized that there is no favouritism. It must be recognized that they become part of the system, and they must feel that alienation is not there. They must feel wanted and be a part of what operates in their respective communities.
I have been involved with many self-help projects: electrification, roads, water lines and so on. Do you know how many applications are standing by? In recent times when I heard some of the then Ministers running all over the country and offering, "Do you want some ‘five days’ and do you want ‘ten days’? [Interruption] Just recently, prior to the elections. The youths were coming to us in the local government system and recognizing us as their representatives and saying, "How is it we are not being employed? When we go they are asking us for party cards and that kind of thing". You know what had to be done, Madam Speaker? Against our will and the will of those youths and those unemployed people, we had to tell them, "If that is what they are asking for, go and join their party and take the ‘ten days’."

The youths and the people of today are intelligent, so they took the “ten days” and the “five days” and what had to come, whatever was being offered, but they continued to ask, "Why are these offers coming after four and a half years?" How is it? It is a pattern that we have grown accustomed to. But the young generation of today are intelligent and wise, they are thinking. We have confidence in them, and I have listened to my colleague the Member for Chaguanas and, indeed, there is not a single truthful person who has listened to her contribution who will not agree that she made a tremendous contribution. We are looking forward, as I have said, to that type of co-operation, to that type of involvement in the interest of our people.

Coming here today to this marathon session—if this debate is only about talk, then we would have wasted our time. From that public gallery I have listened to debates of this nature on many occasions; and sometimes on the radio or television, and what is the question that is asked? "Of what use is the debate if when the budget is read price increases take effect immediately?"

I really hope and pray that the suggestions that have been made and will be made by my colleagues and others will be taken into consideration in the interest of the people of this country.

8.55 p.m.

I turn to public transport. I seek your permission, Madam Speaker, to quote from page 26 of the PNM manifesto. It says:

"Transport and Communications

(a) Public Transportation"
The PNM is committed to ensuring safe, efficient and reliable public transportation for the entire population."

Sweet talk! I like it, too. The only thing is that no sweet talk will make me join PNM.

**Hon. Member:** You have first to be accepted, you know.

**Mr. Haniff:** Madam Speaker, I am not going to respond to that. But the honourable Minister will know that some people came to me and they said that they did so on his instructions.

On page 27 the manifesto goes on to say, that from 300 buses in 1986 it had dwindled to about 100 in 1991.

**Hon. Member:** Do you see why you lost Princes Town?

**Mr. Haniff:** The bus transportation system, therefore, is not serving the needs of the masses. Who uses the bus service? The poor man, the smaller man. Except, of course, I have seen some new buses on the routes—just a few I think it is—and I have heard people say that they are lovely buses. The arrangement, the pricing, the conditions, however, are different from the regular buses. I humbly ask, why is it? Are they our buses, the PTSC buses, the Government buses? I wish to know. Because I have heard that the very workers were charged and disciplined for riding on them, which is a part of their industrial agreement. How come? Why do we have this difference with the new buses, or indeed the buses which are coloured differently? I hope I get a reply.

There is another situation in the bus service of which I am aware, because of my involvement with the people. I am involved with more than one trade union. They come to me about the industrial arrangement, and tell me that people in the Public Transport Service Corporation are being retrenched contrary to the principle of seniority. Why? How come? Why is this being allowed to happen?

I look forward to the improvement, the efficient transportation system which has been promised by this Government. The nation looks forward to it. Of course, the price of transportation has gone up. Many people cannot afford to ride even the buses, but if the buses are there, they may ride. When will this transportation system be introduced? Of course, they have spoken about introducing the system. But when? Will it be introduced prior to the much needed repairs to the roads, of which I have been speaking?

The truth is, it cannot be, because on a very high percentage of those roads, not even the old cars can run, much less the buses. Quite naturally, a positive
effort will have to be made for those roads, drains, and so forth. Is there the will? Is there the commitment? Are they prepared for it?

The equipment in this country generally—I am talking about Government equipment: local government, central government, Ministry of Agriculture, and so on—has deteriorated to a very bad state. In many cases, there are just a few items working and at 40 or 50 per cent capacity. They cannot make the grade. For many years, no new ones have been purchased.

There is a situation that has been left out, which is of very, very great importance. My colleague came very close to it in speaking about the health situation in Chaguana. There is a situation in this country where, if immediate attention is not paid concerning the cesspool emptiers belonging to local government, there will definitely be an epidemic in this country. Thank God, we are now in the dry season. In many cases, it cannot wait for another two or three weeks, and people are running all over the country. I am tired of complaints. When I go to the officers in the local government system, they tell me that they know the situation is bad, but the equipment cannot make the grade. What is next? I urge, in all humility, that some immediate attention be paid to this matter, because we shall not be able to endure an epidemic resulting from that. Prevention, as we all know, is better than cure. Let us take the necessary steps so that we can attend to that situation.

The farmers who have suffered, and continue to suffer, and are willing to plough the lands—we are in the dry season and the canes are being reaped—in many cases, there are no cylinders; no tunnels; no bridges; no graders—they cannot make the grade.

Hon. Member: Graders cannot make the grade?

Mr. Haniff: Yes, they cannot make the grade to reap the canes. That is what I am talking about. I am looking forward to urgent attention to this problem. The canes will have to be reaped during this period.

I am also looking forward to a complete statement from this caring Government on the sugar industry. For too long it has been pending. There is no need for further studies. The recommendations have been made—the Caroni Directional Plan. Go out there and distribute the lands which have been promised to the sugar workers and the cane farmers. Make it meaningful, if they are serious. Our citizens are crying out for that kind of coming-out by the authorities. Come out to them. Let them know what is happening. Give them the lands; give
them the help; give them what is required. When you write in this manifesto that you care, show them that you really care. In the communities where you may have difficulties we are prepared to go along with you. We will go there with you. I am referring to the hon. Ministers with the various responsibilities. The hon. Minister of Works and Transport has a tremendous responsibility. So too has the honourable Minister of Public Utilities. I am looking forward, as the weeks and months roll by, to see—

Hon. Member: Years.

Mr. Haniff: Will it take years? I hope it would not take many years because some of them need immediate attention. Perhaps the hon. Minister was not listening. I am saying that I am looking forward in the weeks and months ahead to urgent attention in these areas, and he is telling me, years. Is this a situation of further disappointment?

Our main resources, which are our human resources, are ready, capable and willing to put their shoulders to the wheel if the Government can really show that it is capable of winning the confidence of our people and pooling the resources in the interest of our development and our future generations.

9.05 p.m.

We are very proud, happy and pleased to be part of the system that will govern and look at providing the facilities for our citizens for the weeks and months and, as the hon. Minister said, the years ahead. I have my doubts, but I am willing to give them the opportunity and the co-operation required. If, however, they cannot perform and fail to do the duties which are expected of them, I want to assure you, Madam Speaker, the alternative government, which is the UNC, is prepared to take over the reins in the interest of this nation, for we are definitely more capable and ready to save this nation of Trinidad and Tobago for ourselves and for future generations. Madam Speaker, I thank you very much.

Motion made. That the House do now adjourn to Thursday, January 23, 1992 at 1.30 p.m. [Mr. K. Valley]

Question put and agreed to.

House adjourned accordingly.

Adjourned at 9.07 p.m.