HOUSE OF REPRESENTATIVES
Wednesday, November 24, 2010
The House met at 10.30 a.m.

PRAYERS
[Mr. Speaker in the Chair]

LEAVE OF ABSENCE

Mr. Speaker: Hon. Members, the following Members have sought leave from today’s sitting: Mrs. Paula Gopee-Scoon, the Member of Parliament for Point Fortin; Ms. Joanne Thomas, the Member of Parliament for St. Ann’s East and Mrs. Patricia McIntosh, the Member of Parliament for Port of Spain North/St. Ann’s West. The leave that the Members seek is hereby granted.

PAPERS LAID

   To be referred to the Public Accounts Committee.

2. Administrative report of the Seafood Industry Development Company (SIDC) for the financial years 2008/2009. [The Minister of Housing and the Environment (Hon. Dr. Roodal Moonilal)]

3. Administrative report of the Venture Capital Incentive Programme (VCIP) for the financial year 2008. [The Minister of Trade and Industry (Hon. Stephen Cadiz)]

ORAL ANSWERS TO QUESTIONS

Water and Sewerage Authority
Chief Executive Officer

12. Dr. Keith Rowley (Diego Martin West) asked the hon. Minister of Public Utilities:

   Could the Minister kindly state:

   a) Is any officer functioning in a position, acting, permanent or temporary at the Water and Sewerage Authority (WASA) in the post of Chief Executive Officer (CEO)?
b) If the answer is in the affirmative, could the Minister state when the position was advertised and in what media?

c) Could the Minister also state:
   i. How many persons applied;
   ii. Whether interviews took place; and
   iii. Who conducted the exercise?

d) Could the Minister further state:
   i. The person hired to the position of CEO of WASA;
   ii. The qualification of such person hired;
   iii. The total monthly emolument, including perquisites, of the person in the post as of October 2010?

The Minister of Public Utilities (Sen. the Hon. Emmanuel George): Thank you very much, Mr. Speaker. In reply to question number 12 as posed by the hon. Member for Diego Martin West, the answer to item (a) is, there is an Acting Chief Executive Officer at WASA. The answer to item (b), the position was not advertised in any media; and, therefore, the answer to item (c) of the question does not apply— (c)(i), (ii) and (iii) do not apply. The answer to item (d), the person engaged for the position of Acting CEO of WASA is Mr. Ganga Singh.

The answer to item (d)(ii), the qualifications of Mr. Ganga Singh include a degree in law, LLB, a Legal Education Certificate, a Masters in Law, LLM; and he is a former Minister of Public Utilities. In answer to item (d)(iii), it was agreed between the Ministry and Mr. Singh that the issue of Mr. Singh’s monthly remuneration package would be addressed by the Board of Commissioners when appointed.

When this was agreed, it was the expectation that the board of the Authority would have been in place within a couple of weeks, or at the very worst, in about a month’s time; however, last week, on November 16, 2010, I did address a letter to the CEO of WASA requesting that Mr. Singh be paid an interim payment. I am informed by the Chief Financial Officer of WASA that Mr. Singh was paid a basic salary of $43,000 per month, and allowances totalling $7,000 per month, which was the same salary paid to the last Trinidad and Tobago CEO to hold the position.

The board, when appointed, will discuss with Mr. Singh the quantum of his payment for his services as acting CEO for the period of his employment. As part of its mandate, the board is expected to pursue arrangements for the recruitment
of a CEO using a fair, open and transparent procedure. Just to read into the record the two letters that were written to Mr. Singh, and to which reference was made earlier on, on July 28, 2010, the following letter was written to Mr. Singh:

Dear Mr. Singh,

In accordance with the powers vested in me as Minister through the Government of the Republic of Trinidad and Tobago, and under section 10 of the Water and Sewerage Authority Act, Chap. 54:40, I hereby appoint you to act as Chief Executive Officer of the Water and Sewerage Authority from the date of your assumption of duty.

Pending the appointment of a board, your reporting relationship shall be to the Ministry of Public Utilities. Your appointment shall continue to have effect until the new board which is to be installed appoints a Chief Executive Officer.

Congratulations and good luck,

Sincerely,

Emmanuel George,
Minister

The second letter is dated November 16 and reads as follows:

Reference is made to the letter dated June 28, 2010 appointing you as CEO Acting of the Water and Sewerage Authority. You will recall that there was an agreement that your compensation package will be determined by the board of the Authority via negotiations with your good self when the board was appointed.

You would also recall that the understanding and expectation then were that the board appointments would have been made within the next fortnight, or, at the very latest, in about one month’s time, sometime around the end of July.

In light of the delay in the appointment of a board, and the hardship you may be facing as a result in the absence of remuneration for services rendered, I wish to request your organization to take the steps necessary to make an interim payment you in lieu of salary and benefits in a sum no more than that received by the former local appointed CEO of WASA.

Please note that this action is without prejudice to negotiations with the
board regarding a compensation package for your services as Acting CEO of the Authority. This communication shall not in any way be deemed to pre-empt the decision of the board in this matter.

Yours truly,

Emmanuel George,

Minister.”

Thank you very much, Mr. Speaker.

**Dr. Rowley:** Mr. Speaker, could the Minister tell this honourable House who sourced Mr. Singh and placed him in this position? Could you identify the officer who sourced him and placed him in this so-called interim position?

**Sen. The Hon. E. George:** I sourced and placed him in this interim position.

**Dr. Rowley:** Am I to understand that on the appointment of a new board, if one is ever appointed, that the position is vacated; it will become vacant and the new board will be free to appoint? Is that what I am understanding? Am I to understand that this appointment was intended to be only until the new board was put in place?

**Sen. The Hon. E. George:** For that answer, you simply have to go back to what I quoted in my first letter. It says:

> Your appointment shall continue to have effect until the new board, which is to be installed, appoints a Chief Executive Officer. [Desk thumping]

**Dr. Rowley:** Since that was the position of you, the Minister, in sourcing and appointing Mr. Singh, did you, as Minister, consider for this short interim period, appointing any of the senior officers at WASA to hold as Acting CEO for that period? Did you consider that at all?

**Sen. The Hon. E. George:** Yes, I did.

**Dr. Rowley:** And you found no one at WASA in the senior position that could have acted temporarily for a few weeks or a few days until? The only person who could have held that position—in your judgment, in your estimation, the only person in this country who could have held that position for a few days was Ganga Singh? That was your judgment?

**Sen. The Hon. E. George:** I felt that Mr. Ganga Singh, given his experience as a former Minister of Public Utilities, was uniquely placed to hold that position and
hit the ground running as Acting CEO of WASA. Thank you. [Desk thumping]

Dr. Rowley: Did this unique qualification which you said Ganga Singh had have anything to do with his prior work at WASA and the DesalCott contract? What made him unique? That is what I am trying to ask you.

Sen. The Hon. E. George: He was a former Minister of Public Utilities, and his experience in that role would have given him what I consider the kind of background that enabled him to perform as Acting CEO.

PERSONAL EXPLANATION
IMPUTATION OF IMPROPER MOTIVES
(Member for San Fernando East)

The Prime Minister (Hon. Kamla Persad-Bissessar): Thank you, Mr. Speaker. May I, at the outset, say that because of the time restricted for personal explanation, whilst I would have liked to give further details, the time fit for this particular Standing Order will not permit in-depth details; and so, this is just for persons to understand, but I do have all the documentation which is open for perusal by anyone who so wishes to see them. [Desk thumping]

Mr. Speaker, in his contribution to the debate on the Interception of Communications Bill last Friday in Parliament, the hon. Member for San Fernando East engaged in an excursion of malicious innuendo, conjecture and character assassination against me, my husband and my family, and our Government as a whole. The Member claimed inter alia, with no proof, no evidence, no justification and no foreseeable sane rationale, that in my private capacity I constructed a house at SS Erin Road, which is indeed known as Estate Drive, Philippine, which cost $150 million, and which was bigger than the official residence; the PM’s residence. The Member went on to further impute improper motives to myself and my husband, the co-owner of this property, amongst other things.

Mr. Speaker, MPs on both sides that evening were undoubtedly shocked that such scurrilous allegations could be made with absolutely no evidence, and more so, by a person whom it was assumed would know, through experience and integrity, the necessity and mandate of the Parliament to uphold the highest standards of integrity in their conduct and to the business of this House in accordance with truth, ethics and morality.

I wish to point out, as was read into the Hansard by the hon. Leader of
Government Business on that Friday night, that when the Member for San Fernando East made similar unfounded, baseless and untrue allegations about the People’s Partnership, and made these statements outside of these august Chambers, I instructed my attorneys to issue a pre-action protocol letter against him for slander and libel.

Mr. Speaker, it was, therefore, most offensive and a further disservice that the Member not only sought to abuse parliamentary privilege by repeating these falsehoods, but went on to embellish it with further false statements inside of this Chamber. It is not the first time this has happened. Indeed, some may dub the Member for San Fernando East a “repeat offender”, making wild, malicious and vacuous allegations on my character in this house.

It is a fact that every one of those allegations is false. Instead, the Member continues to repeat them. I am well aware, Mr. Speaker, and I am sure many in the national community are aware that these statements—these malicious statements by the Member—are a deliberate and calculated attempt by the Opposition to divert national attention from the frightening display of abuse of democracy perpetrated by his regime, under his instruction, against the people of this country by the Member for San Fernando East. [Desk thumping]

In response to these allegations, Mr. Speaker, I have said on record, I have nothing to hide in this matter; and so, today, I would like to put on Hansard, the public records, the details which would prove beyond any reasonable doubt that those allegations made are baseless, without foundation and were simply designed to attempt character assassination.

With respect to the decision to build this house, Mr. Speaker, the facts will show that the private residence at Estate Drive, Philippine, SS Erin Road, owned by myself and my husband, was, in fact, constructed during the years I spent in Opposition, and not in the few months since we won the election or the five-week period during when the snap election was called and the actual election date.

In 1995, my husband, Dr. Bissessar, a doctor by profession for over 30 years, Mr. Speaker, spent money earned in years of medical practice—bolstered by my earnings as a lawyer in private practice—to purchase real estate properties in south. The prices, of course, at that time, Mr. Speaker, were far lower than today; and I will place those deeds before this honourable Chamber in a minute.

We had decided we had reached a stage in our lives where we simply needed a bigger home; our son was growing up and family expanding and so on; and so, like any person in this land, you want to own a private dwelling house. It
is all right. And what we do, we do not use state funds, Mr. Speaker, to construct. [Desk thumping] It is our hard-earned income that we would apply.

I want to point out, Mr. Speaker, that prior to that, and up to this day, indeed, my family and I lived in my father’s house for decades, and he has passed that house to me before his death. And so, my husband and I were very fortunate that we did not have rent or mortgage to pay for the dwelling house in which we reside. I say I still reside there up to today, Mr. Speaker. I merely visit, as for convenience of the public office I hold, the residence in St. Ann’s. This, indeed, I was there on Sunday. I tried to spend some time with my family.

Now, when we were constructing this house, Mr. Speaker, it was a tradition—and every Trini knows that; every Tobagonian knows that—we would do it in what the professional contractors call “country style”. That is to say, we would buy the materials and pay for labour as we could afford it; and when more money became available, we bought and we built, Mr. Speaker.

Midway into construction, when the country suffered a construction boom, we found it very hard to pay for materials and labour and we halted the construction a little. That is why people would pass along that SS Erin Road and say, “What is wrong with Kamla and Gregory? They are taking so long to build this house. What is wrong with them?” They could not believe that it would take us that long, but, indeed, Mr. Speaker, we are doing it in drips as we could afford it; as the money was available.

Mr. Speaker, after eight years, the physical structure of this house was substantially finished. In fact, the structure was finished and the house itself was almost complete, when we were putting the finishing touches, unbeknownst to us, Mr. Speaker, that the election would be called. And so, the hon. Member for San Fernando East decided to call a snap election in April—in April, Mr. Speaker, when this house was substantially completed—in April of this year. And then to say from when the election was called in mid-April to the end of May, collecting election money built the house that was under construction for eight years, it is delusional. I could only repeat the words of the Hon. Minister of National Security, “from a manic mind; a manic man”. [Desk thumping]

Mr. Speaker, when the hon. Member called the snap election, he ensured that the people and the citizens of this country came out in their hundreds of thousands and voted him out of office. Why? Because of his mismanagement, wasteful, inefficient, inept, arrogant and corrupt regime. And so, we put the finishing touches on hold when that snap election was called in April for a month
or two, and then began to complete the work.

Let us put the facts on, Mr. Speaker. The house belongs to my husband, Dr. Bissessar, and myself: My husband has been a medical doctor for over 30 years, and also a businessman for some time. I have been earning income, Mr. Speaker, for over 36 years now. You know what? Because I graduated in 1974 with my first degree from the University of the West Indies and I have not stopped working since.

I worked as a teacher. I then worked as a university lecturer at the University of the West Indies in Mona, Jamaica and then at the St. Augustine campus. Thereafter, I graduated as an attorney-at-law and practised as an attorney-at-law, and it was only in late December 1995 that I became the MP for Siparia, Mr. Speaker; and that is when another snap election was called, by the way. No one was expecting it. It was called before time.

And so, let us put the facts on, Mr. Speaker. With respect to the land deeds, the land on which our dwelling house stands is situated, some say 1 Estate Drive, Philippines; some say SS Erin Road. It is really at the corner of SS Erin Road and 1 Estate Drive. Mr. Speaker, it comprises three acres, more or less. Two acres were purchased in 1990 and one in 1995, all before I ever became a Member of Parliament. [Desk thumping]

And so, by deed 19810 of 1990, which is this one—this is public record. It is in the registries; the Land Registry by this deed made on the 4th December 04, 1990, between Walter Carlisle Archibald and Barbara Angela Archibald—they are the vendors—to Gregory T. Bissessar as the purchaser. In the schedule to this, it speaks of one acre of land, and the consideration or the purchase price, Mr. Speaker, was $85,000— deed 19810 of 1990.

The second acre, Mr. Speaker, also purchased on the same date, by deed dated the same date, 19811 of 1990; deed made between Walter Carlisle Archibald and Gregory T. Bissessar—this is 19811, public record—in this deed, the consideration or purchase price was $85,000, for one acre and 20 perches, Mr. Speaker.

And then deed number three, 12506 of 1999, Mr. Speaker; and in this deed made June 04, 1995—this is the third purchase done in 1995—it is by deed 10428 of 1995, made on the June 12, 1995. I was not a Member of Parliament. I was a practising attorney-at-law. June 12, 1995, between Keith Lutchmansingh and other members of his family, as vendors, to Kamla Persad-Bissessar comprising one acre and one perch for $110,000.
These are the three acres, Mr. Speaker, when the Member said the land grew. Do you recall? The house was on a part of the parcel, the entire three-acre parcel, and this is what the Member did not understand. The land grew in his eyes; all purchased before I became a Member of Parliament. That is the first thing.

In terms of approvals, Mr. Speaker, the plans are here; and again, because time will not permit, these are all the plans and they are all stamped as approved, Mr. Speaker. [Desk thumping] The whole bundle of documents, if you care to see them, will be available for your perusal; and on these you will see the stamps, Mr. Speaker, that of the Town and Country Planning, and that of the Penal/Debe Regional Corporation. So both stamps are there. The approvals of Town and Country Planning, number 10371 of 2001, on the March 05, 2001. Town and Country Planning, Penal/Debe Regional Corporation Building Inspector, and so on, number 140/01, June 21, 2001. [Desk thumping] Those are the plans, Mr. Speaker.

With respect to T&TEC approvals, I have all of them here. Anyone who has constructed a house knows that first you get the temporary inspection certificate whilst you are building, and that temporary certificate has to be renewed every three months. It is only when there is a completion that you will get the final document.

Mr. Speaker, these documents will show, in about March 2003, a temporary inspection certificate was issued by T&TEC to Gregory Bissessar of 1 Estate Drive, Philippine, and it thereafter continued to be issued, Mr. Speaker, at the three-month intervals, until December 16, 2009, before any election was called; before we even knew there would be a snap election called again. [Desk thumping] Full approval was given, Mr. Speaker, in 2009. December 16, 2009, final approval was granted with account number 798571697073. So this electricity dates back from 2003, right down into 2009, Mr. Speaker.

Further, WASA, account number 0378970E. Where are the WASA bills? First, on May 12, 2008, in Opposition—no election in sight—for the billing period June 01 to August 31, 2008, $50 for land connection, and then service bill number 1573878, Mr. Speaker, dated May 11, 2009 for the billing period June 01 to August 31, 2009, $150 for the house connection— In 2009, Mr. Speaker, no election in sight; in Opposition. So that is T&TEC and WASA.

Many of these documents, Mr. Speaker, are provided by public bodies and could have been accessed with minimal research if the Member for San Fernando
East was interested in the truth. They are all public documents. [Desk thumping] Mr. Speaker, instead of conducting that basic research, the Member for San Fernando East preferred to describe the truth and the facts and wallow instead in conjecture, spurious and malicious allegations and innuendo.

Mr. Speaker, on top of all of that, in public life from December of 1995, every year we are required to file integrity declaration forms. [Desk thumping] I have filed my forms, Mr. Speaker, and at all material times these properties were disclosed on the integrity forms; the values, the cost, and everything that was happening, and there was a running cost with respect to the construction of the house, Mr. Speaker, each year showing the increase in value, all in my integrity declaration forms over the years.

Mr. Speaker, I have all of them, but I say time will not permit us to go through over the years what is in these documents. I have to only say thank God that my husband is a very responsible person and he keeps very good records. It is a fact that I do not keep records. [Desk thumping]

And so, I come to the construction records. [Desk thumping] You know, I do not keep pieces of paper. Today, I told someone, I say one thing I have learned in life now is said, keep every piece of paper, because you never know to 10 years or 20 years later, some madman comes to raise issues. [Desk thumping] You never know.

And so, my husband has diligently kept these construction records which, again, if anybody wants to see them—I think it is the Member for San Fernando East really who is most interested—cement, gravel, concrete, Mr. Speaker, all beginning from the period March 24, 2002. So we got the approvals in 2001; we cleared the land and prepared the land.

In 2002, March 24, we started work. Steel, frame, floors continued over the years. January 2006, you will see it goes down throughout the years, construction of roof and walls. In August 2007, electrical and plumbing, Mr. Speaker. In 2008, painted internal finishing. January’ 09, kitchen cupboards; counters and cupboards in April. Before that election was called, this house was substantially completed, Mr. Speaker, and the records are here. And then what happened? Snap election was called, and we stopped for a bit because we were busy campaigning, and then resumed to complete the final touches.

Let us get to the cost because we are running out of time. These are the allegations that were made. The hon. Member stated that this house cost $150 million. [Laughter] Mr. Speaker, a Form 1 child—and they are not duncy
children. A Form 1 child would be able to look at that, and I have opened the House to children—the official residence to children, and diplomatic centre.

The hon. Member said, “You see that house? It is bigger than the diplomatic centre and bigger than the official residence.” Do you remember that? What madness, Mr. Speaker? A Form 1 child would watch those two and know that this is bigger than this by far. By far, Mr. Speaker. And so, the hon. Member knew he was misleading this House, with due respect. He intended to do that. And so, in terms of size, we will talk about the size and then the cost, Mr. Speaker.

From 2001 to present, we believe from our records we spent about $3 million. To suggest it cost $150 million, I say, is delusional, Mr. Speaker. What this would mean is that it cost a whopping $15,000 per square foot. But you know, Mr. Speaker, I am not surprised that that hon. Member would say that, because that is what he was doing with taxpayers’ dollars over the years, [Desk thumping] overestimating and squandering the patrimony of this land.

Mr. Speaker, based on the allegations, as I said, we have our records. From it, we believe it is about $3 million spent from 2001 to now; but just out of an abundance of caution, Mr. Speaker, my husband got an independent construction assessment commissioned, a respectable, long-standing quantity surveyor, Mr. Willy Roopchand, and he states that the cost for completing by June 2011—so he is giving the extra—to complete by June 2011, he has estimated it to be between $3.4 million and $4.5 million. That is assuming that we undertake all the works that he is suggesting.

I have this letter here from WR Partnership dated November 23, 2010, which, again, I am willing to give the full contents to. That is to say we have said what our records show we have spent. This is an estimate done by a professional quantity surveyor. That is with issue to cost. This, Mr. Speaker, is a mere 2 per cent of the estimated $150 million cited by the Member for San Fernando East. That could only have come from a manic man; a manic mind, Mr. Speaker. [Desk thumping]

The size, Mr. Speaker; I think those pictures are all over the newspapers, or published; a picture of my house and the official residence and so on. As I said, it does not need a rocket scientist to see you are talking about chalk and cheese and apples and oranges. The size is totally different; a far smaller dwelling house that is my private home, Mr. Speaker.

You know, Abraham Lincoln once said, “Truth is generally the best
vindication against slander.” These are the facts, Mr. Speaker. When I tell the truth, it is not for the sake of convincing those who do not want to know it. It is for the sake of defending those who do want to know the truth. I have never had a problem providing any kind of information to the public about my life. I have often said my life is an open book and, Mr. Speaker, humility, you see, is nothing but the truth, and pride is nothing but lying.

I fully recognize that, as a leader, you have to not only do the right thing, but you must also be perceived to do the right thing. [Desk thumping] A consequence of strong leadership is being put under intense public scrutiny; being held to high standards and enhancing a reputation that is constantly under threat. It is said, Mr. Speaker, you cannot choose your battlefield, God does that for you, but you can plant a standard where a standard never flowed, Mr. Speaker, and so, I had no problem about putting these facts in the public domain.

As I close, I say there are those desperate men who will lie when they are afraid, afraid of what honest men and women will never know. It is often said that they tell lies to distract from good governance, proper democracy and a country restored to a path of progress and prosperity under the People’s Partnership Government. I want to warn them, Mr. Speaker—, through you, this Government of integrity and truth will only grow stronger. [Desk thumping]

To the Members on this side, I thank you for upholding the best practice and conduct of Parliament and for your ongoing support of me and our party under such a scurrilous attack. To our constituents and citizens, I say to you, thank you for believing in the integrity of this House, and here is the truth of these allegations. Be guided by it.

For the person who raised the scandalous lies in the first place, I want to remind him of the words Shakespeare once wrote:

“To thine own self be true,
And must follow, as the night the day,
Thou canst not then be false to any man.”

Remember, you do not wake up one morning a bad person. It happens by a thousand tiny surrenders of self-respect and self-interest. This, then, is the truth. May it set you free from the misery of self-defeat, self-deceit and the self-destructive path that you have now found yourself condemned to walk.

I will call upon you, likewise, by putting my house, my private home, on
the front pages, Mr. Speaker; holding it up in the Parliament for the world to see, you have placed my children in danger, but I will not endanger your children, Sir. I will wish them God’s blessings and success in life. And so, I will call upon you to tell us about the ownership and the approvals, and who resides in the street in St. Joseph Village; Herrera Street in that dwelling house there.

I thank you very much. [Desk thumping]

COMMITTEE OF PRIVILEGES
(The Member for San Fernando East)

The Minister of Works and Transport (Hon. Jack Warner): Thank you, Mr. Speaker. In accordance with the provisions of Standing Order 27(2), I seek your leave to raise the following matter as a question of privilege. Mr. Speaker, at the sitting of the House of Representatives held on Friday November 19, 2010, during the debate on the second reading of the Interception of Communications Bill, 2010, the Member for San Fernando East, while displaying a photograph to the House, said inter alia, and I quote the Member:

“This picture, Mr. Speaker, is a photograph of a house under construction on the San Fernando/Siparia/Erin Road, just past Bryan’s Gate, Phillipines and on the road to Debe, on the right-hand side. It is a house owned by the Member for Siparia and hon. Prime Minister, Mrs. Kamla Persad-Bissessar. In San Fernando, we call it ‘Kamla’s Palace.’”

He continued:

“Look at it, Mr. Speaker. It is here; it is here... It is a huge facility, and investigations—you want to see it too?—indicate that this facility is larger than the Diplomatic Centre. The facility, Mr. Speaker, has more space than the Prime Minister’s residence—look it here, look it here—and the best estimate that we have, the all-inclusive cost of building this facility is $150 million.”

Mr. Speaker, following this statement, the Member for Siparia rose on a point of order and informed the House that the Member for San Fernando East was misleading the House. Later in his contribution, the Member for San Fernando East made the following statement, and I quote again, Mr. Speaker. He said:

“The Prime Minister, therefore, authorizes a Bill to the Parliament that seeks at paragraph 6 to close the eyes and to close the ears of intelligence agencies. Mr. Speaker, on the one hand it is disclosure, and on the second
hand it is seeking to outlaw eavesdropping. Both of these things are not in the national interest known by the Prime Minister, yet she brings these things to the House in this way. The question that arises is why? The question is, why?”

Mr. Speaker, notwithstanding the intervention by the Member for Siparia, the Member for San Fernando East persisted and posited the following, and I quote again:

“The actions of the Government, in bringing the legislation to the Parliament in the form in which they have brought it and in exposing what is taking place at the NSIA in the way they have done it, was done partially, because they are carrying out the agenda of those who financed them in the election campaign and who are involved in the drug trade.”

Mr. Speaker, the Member for San Fernando East continued:

“That is the point I want to make. It is relevant to the Bill, because I am about to demonstrate that what they are doing is part of the agenda of the drug dealers in Trinidad and Tobago to whom they are beholden. That is the point.”

Mr. Speaker, you will recall that you repeatedly intervened and you called on the Member for San Fernando East to desist from his line of debate.

Following your intervention and ruling, the Member for San Fernando East persisted in attempting to justify the allegations made earlier in his contribution, questioning Government’s motives in piloting the Interception of Communications Bill, 2010.

Mr. Speaker, he said, and I quote again:

“I am not surprised at all with what we are seeing. Look at what they have done. They fired Colonel Robinson of the ODPM; a Member of the National Security Council. They fired the Commissioner of Police, James Philbert, two weeks before he was due to retire. They could not even wait; two weeks.”

He continued, Mr. Speaker:

“He was a member of the National Security Council.”

That is James Philbert.
“They fired Brigadier Peter Joseph. He was a member of the National Security Council. They closed the investigation section of SAUTT, critical in the anti-drug effort. Their stated intention is to ground the airship. I think they have done so already. They have now taken steps on SIA. It looks like they will close it, from all they are saying. They cancelled the OPVs. They cancelled the funding for the security effort in Caricom.”

He continued, Mr. Speaker, and I am quoting still:

“David West of the Central Authority and the Financial Intelligence Unit has been removed from office, after service for a long time. Then there was the statement the Prime Minister made last Friday. Look at it. All of these things undermine the anti-drug effort of the State, so carefully put in place by the PNM.”

Mr. Speaker, he continued:

“To what conclusion do you expect us to come? The sum of $150 million—that house. They were struggling to build that house before the election.”

Mr. Speaker, I therefore submit that the Member for San Fernando East committed a contempt of this House on the following grounds. First of all, he deliberately and wilfully misled the House. Secondly, he imputed improper motives against the hon. Member for Siparia, in clear violation of the Standing Orders of this honourable House, and persisted in that behaviour, despite being repeatedly called to order, thereby bringing the House into disrepute and public odium. Thirdly, Mr. Speaker, he was grossly reckless in the abuse of privilege of freedom of speech in this House.

Mr. Speaker, in respect of the first ground, it is my considered opinion that the Member of Parliament for San Fernando East deliberately and wilfully committed a breach of privilege, despite protestations to the contrary, by deliberately misleading this House when he alleged that the value of the aforementioned private residence of the hon. Member for Siparia was approximately $150 million.

He knew, Mr. Speaker, or ought to have known that declarations of income, assets and liabilities are filed with the Integrity Commission by all Members of Parliament, and that the information so filed annually with this Commission is available for public scrutiny.

Mr. Speaker, on the second ground, I contend that the Member’s
statements inferring that the hon. Member for Siparia, as Prime Minister, is promoting the agenda of drug dealers in Trinidad and Tobago, were a scandalous reflection on her character and conduct as a Member of this honourable House.

Despite being called to order, the Member for San Fernando East repeatedly persisted in his arguments, flagrantly violating the Standing Orders and bringing this House into disrepute. Mr. Speaker, taken in their totality, the Member’s statements constitute a desperate attempt to demean the Member for Siparia, the hon. Prime Minister, and to do so in the eyes of her fellow parliamentarians and, by extension, Mr. Speaker, in the eyes of the nation as a whole.

Mr. Speaker, this is a reckless abuse of the freedom of speech which we all in this House are privileged to enjoy with responsibility. [Desk thumping] In the light of all I have said, therefore, I now seek your leave to have this matter referred to the Committee of Privileges of this House for its consideration and report.

Mr. Speaker, I thank you.

Mr. Speaker: Hon. Members, having heard the matter, I will reserve my ruling on the Motion of Privilege raised.

FINANCE (NO. 2) BILL

Order for second reading read.

The Minister of Finance (Hon. Winston Dookeran): Thank you, Mr. Speaker. I beg to move,

That a Bill to provide for the variation of certain duties and taxes, and to introduce provisions of a fiscal nature and for related matters, be now read a second time.

Mr. Speaker, it has been said that no island is an island. That statement could not have been more apt and appropriate to the current situation in which the entire world is placed; and that statement could not have been more relevant to us as we chart a new course forward so that we can move from the darkness that had descended on this land and begin to show some light for the future.

I want to bring to the attention of this honourable House a recent development that took place in Ireland, a country much larger than ours, but nonetheless, in the context of world economies, a small economy. After having exhibited strong economic growth between 1987 and 2001, Ireland’s GDP peaked
at 6 per cent in 2007, due to increased activity in the construction and financial intermediation sectors.

Nonetheless, during this time, the country’s bank exposures to property lending, fuelled by the availability of easy credit and wholesale funding, were nearly unsustainable. In early 2008, housing construction slowed and the pace of economic growth faltered. As the housing bubble burst, domestic vulnerabilities interacted rapidly with the global financial crisis.

Stock prices of Irish banks declined sharply and extensive Government support was needed to maintain Ireland’s financial stability. The extensive support measures by the Government resulted in a rising structural deficit. Consequently, in July 2010, Moody’s downgraded Ireland’s sovereign debt to Aa1, from Aaa, citing concerns over Ireland’s budget deficit and the deteriorating asset quality of the country’s banking system.

The downgrade followed similar moves by Standard & Poor’s and Fitch, and also closely followed on the heels of the International Monetary Fund Article IV mission which warned of risk arising from continuing interaction of slowing growth, financial sector stress and the state of public finances, each threatening to pull the other down.

On November 11, 2010, Ireland finally succumbed and the Government requested financial aid from the European Union to shore up its troubled banking sector and restore investor confidence. It is estimated that a US $124 billion bailout deal is currently, as we speak, being negotiated with the European Union and the International Monetary Fund. According to reports, the Irish Government will present a four-year economic plan, today, Wednesday 24, 2010, and will unveil an austerity budget on December 07, 2010.

While the actual measures and instruments to be implemented are still being developed, there have already been some casualties. The Irish Prime Minister, Brian Cohen, has announced that he will dissolve the Government after the December 2010 budget. Further, the Green Party, a partner in the ruling coalition, has announced that it is withdrawing support for the coalition. One of the concerns regarding the proposed bailout is the possibility of raising the corporation tax rate, which currently stands at 12.5 per cent. The low rate has been one of the key factors which attracted numerous high-tech multinational corporations to Ireland.

Additionally, Mr. Speaker, concerns have been raised that the support
being proposed for Ireland may not be enough, to prevent the need for more bailouts in Portugal and possibly Spain. The failure of the Celtic Tiger is being felt around the world, as stock indices on Wall Street and Asian markets fell on Tuesday November 23, 2010. That was yesterday and this was coupled with the decline of the Euro vis-à-vis the US dollar.

Mr. Speaker, I have brought this to the attention of this honourable House to see the context in which we are now interconnected, and to also see what are the dangers ahead of us if we do not keep our situation intact. Earlier on, over the last few years, there have been similar instances with respect to Greece, to Iceland, and coming nearer to home, to Jamaica. Mr. Speaker, these instances have brought lessons for us in little Trinidad and Tobago, as we, on the verge of a fragile recovery in the world, are faced with these possibilities.

What I said with respect to Ireland could well be said, given different numbers, to countries in the Caribbean. Indeed, Mr. Speaker, the Caribbean has not been in any way immune from these developments, and these developments continue. The fragile recovery in the world and the interconnected financial system pose global risk ahead of us. It is not insignificant that many of our Caribbean countries have had to seek specific facilities from the International Monetary Fund within the last two years. Jamaica, St. Vincent and the Grenadines, St. Lucia, Antigua and Bermuda, Grenada, as well as Haiti, have all accessed various facilities available through the international financial institutions.

Mr. Speaker, Jamaica recently concluded the standby lending facility between the International Monetary Fund, IADB, World Bank and the Caribbean Development Bank; to reform the public sector and reduce deficit; to restructure its debt and reform the financial sector to reduce risk. Haiti, as we are all aware, has received an extended credit facility, and an economic development policy operation, not only to assist in the aftermath of the devastating earthquake but to finance critical government expenditure and to instil confidence in the people of Haiti.

St. Lucia, or rather, St. Vincent and the Grenadines, sought the facility to protect itself against exogenous shocks. St. Lucia, similar facility; Antigua and Bermuda, a standby arrangement; and Grenada, an extended credit facility. Mr. Speaker, this information I have brought to the House in the context of this Bill is to put the setting in which we are placed so that we can learn from the perils ahead of us, as no island is an island and, at the same time, to chart a course in which we can feel a greater sense of comfort.
You will recollect, Mr. Speaker, that on, I believe it was June 08, rather, June 11, 2010, shortly after this Government was given the mandate to chart the course of public policy in Trinidad and Tobago, I had indicated to this Parliament that the total cash balances declined steadily from $17.7 billion at the end of fiscal year 2008, to $9.7 billion at the end of fiscal year 2009; and further, to $5.43 billion as of June 2010; a dramatic reduction in our cash balances.

In the budget debate, I further updated this Parliament that the cash balances which stood at $5.4 billion at the end of June had, in fact, reduced further to $4.3 billion as of the end of September. Mr. Speaker, it was imperative that we took steps to do two things, not only to change direction of the financial trends that were emerging, but to also set the platform for new trends to begin to emerge; and that is what we have been engaged in for the last six months.

The current situation is that the Government’s cash balances held at the Central Bank have begun to show a slight increase; now at the level of $5.4 billion.

11:30 a.m.

Had it not been, Mr. Speaker, for the careful husbanding of our financial resources, the slope that we inherited could have continued to decline, and it is through the prudence of this Government’s programme to ensure that that slope does not continue to become the dominant characteristic of our financial landscape, that today I can say that while we are not out of the woods, I am beginning to see the blue in the sky again [Desk thumping].

Mr. Speaker, it is in that context that the 2011 Budget Statement attempted to further the platform for Trinidad and Tobago to move forward. And you would recollect that we outlined a number of measures in order to deal with this situation. Today we have been called upon to give legislative enactment to these measures, to provide the legal authority for the execution of the plan, and this Finance Bill that we are about to debate today is to do just that.

What are these measures that we had put into place and what are the measures that are now being transferred into legislative authority? Firstly, in terms of our attempt to set up a new growth platform, we said that we shall take measures to improve production of oil and gas and substantial changes in the energy tax regime. These were all dealt with in the budget and I need not repeat them today, but the Bill before us is to give legislative authority to these measures.
We also introduced special measures to support alternative energy use, and specific measures in this Bill, and their 26 such clauses are aimed to give us the necessary legislative authority to provide the quantum of incentive for the development of alternative energy.

Mr. Speaker, among the measures that we introduced were also the measure to increase the growth of the agricultural sector and to do that we indicated a number of measures, both with respect to financing and also with respect to expenditure in that regard; measures to clean up the environment, and in particular to expand this scope of the Green Fund so that it will be more accessible to the people of this country and will be used for the purposes of maintaining environmental standards to the highest level.

Mr. Speaker, we have included in our provisions the necessary legislative amendments to allow us to do just that, so that the Green Fund will not be closed up in a closet in the Treasury, but will now be open for use by all the people of Trinidad and Tobago. We also included measures to generate new investment, and in particular we looked at the manufacturing sector. A number of measures with respect to increase in the minimum wear and tear allowance and in the depreciation allowance were announced in the budget speech. It was important for us as one of the platforms for change that we provide the necessary environment for the manufacturing sector which we recognize will have to play a key role in taking us out of the woods into a different future.

We also introduced major measures with respect to increasing new investment, including provisions for ploughing back profits into sensitive areas in the economy, and made it now friendly to investment, suggesting that the current accelerated depreciation allowance for 90 per cent, which we now propose, as well as the 25 per cent wear and tear allowance, will be applied to investment beyond the specific industries named in the Aid to Industry Act to include shipbuilding and recycling, among others.

Mr. Speaker, we are very conscious of creating an environment where the private sector can flourish, where we can have now an opportunity for them to develop a private sector investment programme to support the very ambitious public sector investment programme which this House has already approved.

We are very concerned about the issue of homeownership and included specific measures to allow first-time homeowners to have an encouragement with respect to tax credit. In addition to that, you will see in the Finance Bill before us additional measures to support homeownership. We recognize this for two
reasons, Mr. Speaker; not only that it satisfies a major social need in this country, but also it provides the trigger that will put water in the battery for the resurgence of growth in Trinidad and Tobago. Mr. Speaker, the Bill before us will give legislative authority to these measures that were outlined in the budget.

With respect to the Employee Share Ownership Plan, given the policy direction of this Government to provide more opportunities for shareholding among the workers of this country, we redesigned the formula so that there will be greater access to share ownership by the workers of this country, and the ESOP proposal, as it is called, has now been adjusted in order to increase the participation of workers in share ownership programmes in their respective companies. Already we have had some effect in this regard, and as of yesterday I had a meeting with the ArcelorMittal Group and the Steelworkers’ Union on this particular issue who had come to the agreement as to expand shareholding opportunities for the workers in that industry. Soon we hope to finalize that arrangement.

It is an important plank of the platform for the future, for it is based not only on dealing with the fiscal situation before us, but it is based on changing the distribution of wealth and the distribution of income as we progress and move forward.

We also included measures to sustain small business development and innovation because we recognize that that is an area, Mr. Speaker, in which a new generation of entrepreneurs may wish to enter and have developed specific measures to do just that, including expansion with the research and development facility at the Business Development Company.

Again, with respect to manufacturing industries, we have expanded the list under “approved manufacturing industries” so that we can increase the scope of that industry. For those in the private sector who have always complained that the fiscal regime was not supportive of growth and development, I now say that there is a challenge ahead of them to utilize the fiscal measures that we have put into place, to continue the growth in Trinidad and Tobago and to bring about increased output in the manufacturing sector.

Mr. Speaker, we also included measures to promote the development poles, which included the removal of restrictions on free trade zones, and measures that will be able to allow expansion of the space of Trinidad and Tobago. We therefore have put into place fiscal measures that we believe will support a development objective, and in that sense we are building the buffers
against future vulnerability, and at the same time we are hoping to deal with the current situation of fiscal challenge.

In this regard, as we began to look at the fiscal equation, we recognize that there are a number of areas in which there is need for increased efficiency, and we have always been concerned about the sense of lack of duty in Trinidad and Tobago by many regarding the question of paying their taxes. The measures before us are also aimed at giving vent to the proposals we have put forward to deal with the issue of tax arrears and provide an appropriate framework to encourage the paying of taxes in an amnesty arrangement which will allow us to improve tax collection.

I have said before and I say it again, if everyone were to pay their taxes in Trinidad and Tobago as prescribed by law, there will be no deficit in the budget of Trinidad and Tobago. These measures are aimed at closing that gap, and the legislative measures here are supportive of that goal.

We did indicate, Mr. Speaker, that there will be some changes with respect to the property tax and the land and building taxes, and although the measures before us do not deal with that specifically, I am advised that we will have to do so in a special piece of legislation very shortly.

We also introduced measures to support the special equity of Trinidad and Tobago. We are well aware of the debate taking place on the Senior Citizens Pension, much of it uninformed, and much of it designed to create immediate populace sentiment. But the truth is, when something is right, it will always be right in Trinidad and Tobago.

Our commitment to the Senior Citizens Pension has been, in fact, established (a) by increasing the level of those eligible for pension to $3,000.00, and in that, in the context of what is taking place today in terms of public sector negotiations, it is important to remind ourselves that we have also increased the minimum pension to public servants appropriately. There are legislative measures here to give vent to all these measures of social support.

We included a measure, and as the Prime Minister spoke today and asked this nation to confront the truth, so too did we confront the truth by the establishment of the Children’s Life Fund [Desk thumping] as we bring about a new social responsibility in our country.

That Act, as you know, was recently passed by Parliament, and the allowances of contribution to that fund should be tax deductible, and we have
gone further to open this tax allowance to other relevant charitable organizations, all in the context of building a society that is socially secure, that is economically confident and a society that is politically stable.

We are very careful, Mr. Speaker, to include measures to increase arts and culture allowances in a number of specific provisions, and the Bill before us gives vent to the measures outlined in the budget proposal. Let me just say that this package of fiscal measures has been far-reaching and responsible, has been the result of those who have looked at the policy prescriptions of Trinidad and Tobago and of this Government’s policy prescription with a great sense of awe and admiration.

Recently, we had a number of international bodies looking at our policy prescriptions—and I will say something about that later. But what was comforting is that the international community at large, and those who have been watching carefully the vulnerabilities with which this country has been faced and the response to those vulnerabilities, have indicated their commitment to the confidence of Trinidad and Tobago, and the Inter-American Development Bank recently agreed to provide us with extensive support, within two months after this budget was presented, on the basis that they were in direct support of the policy direction which the People’s Partnership Government has put into place. So, Mr. Speaker, the Bill before us is to deal with these issues and provide legislative framework.

I will not go into any great detail because they are all outlined in the budget speech and in the Finance Act before us but let me just quickly outline the clauses 2 to 12 and 16(e) deal with the issues of Senior Citizens Pension of which we have spoken. In this respect, it is important to remember that we have removed from the calculation of qualifying income those lump sum incomes that were calculated before, and those interest payments that were calculated as income so that the level at which we shall have qualifying income would not include those and therefore increase the number of people eligible for senior citizens’ pensions. These are measures that are significant in terms of providing a wider net for senior citizens’ pension, who were disqualified before on the basis of the definition of qualifying income.

Mr. Speaker, with respect to public sector pensions to which I made reference, this involves amendments to a number of different pieces of legislation, including the Judges Salary and Pensions Act, which is incorporated in clause 2 of this Bill, the Prison Service Act, clause 3 of this Bill, the Retiring Allowances
Diplomatic Service Act, clause 4 of this Bill, the Pension Act, clause 5 of this Bill, the Widows and Orphans Pension Act, clause 6 of this Bill, the Municipal Corporations Act, clause 7 of this Bill, the Fire Service Act, clause 10 of this Bill, the Teachers Pension Act, clause 11 of this Bill, the Assisted Secondary School Teachers Pension Act, clause 12 of this Bill. The Police Service Act and the Defence Act will also be affected. And it is in this context the different clauses in this Bill will deal with this issue.

On that score, may I also indicate to this honourable House that our programme on pension support has only just begun. After waiting for almost 20 years for pension reform, we have now began a comprehensive programme in order to provide for this country’s next generation and this generation, an opportunity for security of pension and a harmonized universal pension plan is in the making. Recently the Cabinet authorized me to hold discussions with the World Bank technical people to accelerate this programme so that during the course of 2011 we shall be in a position to provide opportunities for our universal harmonized pension programme for all Trinidad and Tobago, at least in the future.

So, Mr. Speaker, I make these points with respect to the expansion of the Green Fund Energy Sector alternative use of energy, et cetera, in order to reinforce the position that we cannot allow ourselves to succumb to the vulnerability of size nor must we allow ourselves to become the victims of external development. But more than all that, we must not allow ourselves to become imprisoned by our own fiscal position, so that we can make ourselves exposed to these possibilities in the future.

When we in this People’s Partnership Government talk about public policy, we talk about public policy that would protect today’s interest, but not at the expense of tomorrow’s generation, it is in that context that we hope to move forward. Many of the measures that we have outlined, therefore, are aimed to do just that.

Mr. Speaker, as we chart this new pathway, as we put some water into the batteries as we are advised to do, as we do that we have to clear the pathway; to clear the pathway so that the new vehicle would be able to work without too much obstacles and hindrances, and in so doing, we have to deal with many of the issues that were our inheritance.

It would have been better and it would have been more appropriate and it would have been really a great inheritance if, after all the monies that this country had received during the years of positive growth, during all the energy inflows
that had taken place for many years, that we could have inherited a clean balance sheet with respect to the pathway ahead of us. Regrettably that was not so, and, therefore, it is our task now to clear the pathway so that the vehicle that we have proposed, in terms of our fiscal and development thrust, can move forward with a greater sense of confidence. In order to do that, Mr. Speaker, we recognize that we need to trigger this economy into a new confidence in growth and within recent times we have been looking carefully at how we can deal with some of these hurdles in our front.

Mr. Speaker, let me deal with one of the minor issues, but a significant issue; has to deal with the contractors’ payouts. Sometime ago we met with the contractors organizations and indicated a commitment to try within our public finances to deal with that. I am advised that as at October 2010 or between the months of June to October 2010, in the last few months we have, in fact, spent $2.4 billion to deal with contractors’ claims in the Ministry of Finance. There are other claims that have been dealt with in the Ministry of Housing and the Environment as well and that included a figure of $390 million in June, $377 million in August, $264 million in September and $911 million in October.

So, Mr. Speaker, we recognize that the validation process must continue, and we are taking steps to improve that but that is one of the hurdles that we had to deal with. It is not that that problem is over, but we have made a dent in that situation and, therefore, hope to remove that over time. Validation becomes an issue that must be dealt with.

Mr. Speaker, another issue that is of significance has to deal with the value added—VAT refunds. We recognize that we need to inject into this economy some purchasing power. That is the first stage in the resurgence of growth, which will then be followed with the conversion of the Public Sector Investment Programme into actual activity and construction.

We are very careful in designing this growth process to include in our Public Sector Investment Programme 75 per cent of our expenditure of $7 billion to be used in the construction industry. We expect, therefore, that 2011 will have ample space for the initiation of the construction industry in order to support the injection of purchasing power between now and then. This is a well designed and constructive approach and hopefully, Mr. Speaker, it will be supplemented and complemented by investments in the energy sector and by investments in the private sector; and I will say something about that in a little while. But, in order to help and facilitate those businesses that have been crying in great pain on the
issue of VAT refund, we have looked at that situation very carefully. We have, within recent times, increased our payout on VAT refunds from a level of $350 million a month as of now to a level of $400 million a month. I am hoping that the VAT office can increase that to a level of $500 million a month so that we can inject some further purchasing power into the economy. Much of what I have said, however, is always subject to the proper verification and that, I am told, is a challenge before us.

With respect to the foreign exchange issues, we are very fortunate, Mr. Speaker, that our situation at the level of foreign reserves continues to be good, but we cannot be complacent because the trend is not always in the right direction. Having said that, we recognize that there is a shortage, and we support the Central Bank’s recent initiative to increase its commitment to the foreign exchange market from the current level, I believe, of US $150 million per month to US $200 million per month, and to try to deal with some of the queues that have developed and, in so doing, add more purchasing power into the system.

We are also hoping, Mr. Speaker, that we will be able the handle, very clinically, the issues pertaining to the public sector wage negotiation, and I am still optimistic that we can come to an early conclusion on that matter so that we can get that behind us. What is necessary in creating this pathway forward is to deal with some of this inheritance; inheritance that was not created on our part; inheritance that has to be dealt with, and I give you the assurance in terms of where we are moving that the inheritance we give to the next generation will not be the inheritance that we received in this generation. That is the objective in which we are moving in terms of our economic strategy—clearing the clouds to see the blue sky.

Mr. Speaker, the measures that are outlined in this Finance Bill are all done in that context. And I want to deal with one of the most thorny issues; perhaps the issue that has engaged the public’s attention, and perhaps the issue that has engaged the international community as to how Trinidad and Tobago will confront the issue with respect to the failure of one of its largest finance and insurance companies. You know the history. You know the history in this Parliament, because you recognize that we have had to deal with this problem, and it is not as easy a problem as some would like to make it out to be.

That is why I put the context, the international context, and the actual experiences of others who are grappling with the issues of macrostability and the issues of financial stability. It is in that context, Mr. Speaker, we must recognize that fiscal deficits of today become the debt of tomorrow. So it is not an easy
solution and, therefore, we began to deal with this issue.

In the first instance, we have begun immediately to put the administrative measures in place to deal with the Hindu Credit Union, and there are 144,000 HCU depositors, I am told. Immediately, the Deposit Insurance Corporation is engaged in setting in place the mechanics to support those depositors about whom I spoke on the last occasion; about a large number of depositors will be provided with some support for that failed institution.

Mr. Speaker, let me deal now with the issue with respect to what has been described as the Clico matter. In the first instance—and I want to reiterate—this situation was large in all its manifestation. It amounted to almost 10 per cent of the gross domestic product and it involved, in the first instance, an allocation of about TT $5 billion to stem what was seen as a confidence risk and subsequently, when this Government began to look into this matter, we got into the depths of the crisis. I had referred this to the understanding—the Clico fiasco was understanding a bubble cycle that had gone sour. In economic systems that is what happens. That is what happened in the United States. That is what happened in ramifications beyond the United States. That is what we are told has happened in Ireland and, therefore, it is important for us to ensure that we diagnose this problem properly.

A large part of the continuing problems we face was based on the wrong diagnosis and the laxity in regulatory management, but that has been the inheritance that we have had to deal with. On previous occasions I indicated that this Clico bubble cycle should have been treated differently and should have been able to contain the risk and let the economy move on; contain the risk that had emerged in the Clico Investment Bank, and contain the risk that had emerged in the statutory funding of the Clico Insurance Company. That was not the course that was taken. The course of not containing the risk was not accepted in preference to a course that expanded the risk; expanded the risk not only in terms of the financial situation of Trinidad and Tobago but expanded the risk to its ramifications in the rest of the Caribbean and today, many of our Caribbean sister countries have had to succumb to the financial support of those numbers that I mentioned to you earlier have had to bear the burden of the Clico fiasco.

In simple terms, if this situation were to be contained and the two risks that emerged, one a cashflow risk in the Clico Investment Bank and the other a statutory fund risk in Clico, each one could have been treated. There was an orderly exit policy that is part of the armoury of the Central Bank regulatory
framework for the exit of institutions that are no longer viable or at risk. And if they are indeed not relatively significant in the macro sense, it can be dealt with.

I maintain that we paid the colossal price as a nation, as a people, and we continue to pay a colossal price because of the ineptitude of the past regime in dealing with this matter of Clico. But we cannot simply sit back and say that that is the solution. We have to find the appropriate solution.

So the Clico bubble was allowed to burst, and allowed to begin to reflect itself, firstly in our own situation and secondly in the Caribbean situation and today we have had to face the solution. What has been the premises of this solution? How did we intend to approach it? Well some had argued that, strictly speaking, this was a problem of a financial institution that had gone sour and, therefore, the market should deal with that situation. And the 225,000 Clico policyholders who have life insurances and annuities will simply have to face the fact that the company in which they invested had become insolvent and had become a risk. The Government’s intervention accelerated that process.

Some had argued that if that were so, that you can, as a Government, walk away from the problem, because, strictly speaking, it was not a problem emanating in the hearts of the public finances, but there were certain obligatory commitments that were made, both by the Central Bank and by the then Minister of Finance. In the interest of retaining the confidence of the system, those statements became issues that we had to contend with. But more important was that any attempt to walk away from this problem, as some had suggested we should do, would have created what I call a disorderly liquidation of a major institution in this country. As a responsible Government, we had to get into the act. As dirty as the waters appeared to be, we had to walk in and swim in these dirty waters so that one day we can come to the clean waters ahead of us. [Desk thumping] So we opted for that approach.

The first aspect of that had to deal with the issue of how do we maintain the stability of our finance macroeconomic framework, because we can find a solution that puts at risk that very macroeconomic framework, which in the end will turn around and become our problem. As I said, and in public life I have always said it, I am prepared to take the tears today so that I will get the applause tomorrow [Desk thumping] and it is in that context that I was not tempted in our deliberation to simply respond to measures that will put at risk other issues. So, Mr. Speaker, we recognize, that as the major issue and; therefore, we began a plan of action that will allow us as a country to navigate through these waters with the minimum of pain.
The first and most important aspect was to find the necessary funding to deal with this problem. I indicated to you it was large. When the problem came in our hands, there were commitments to the order of $12 or $13 billion that had to be met. Some argued that that could be met from the assets that belonged to Clico, and perhaps to CL Financial. We went through that analysis. We went through it clinically and we recognized that there was no basis upon which that argument can stand financial scrutiny and therefore, we had to find Government funding. It would have been easier for the state of finances of this country, instead of putting the public sector debt, raising it from the current level of 52 per cent to a further 15 per cent in one shot if we could have found that funds from the shareholders.

In any event, what we noticed is that the solvency of the operations were such that that prospect remained dim. Maybe in years to come there may be a change, market conditions may change, but as of now, it is not a prospect that we can look into. And therefore, it is in that context of having dealt with that issue we recognized that the Government had to get involved and had to provide the support.

In so doing, Mr. Speaker, we also recognized that it was important to do so and to protect all those who, in fact, will be affected by this. Mr. Speaker, it was in that context that the model that was developed firstly to resuscitate the company, solvent as it may well be, but it involved 225,000 policyholders, it involved directly 500 workers and it involved a number of other agents in Trinidad and Tobago, and there are two companies. I am talking about them collectively.

So the first plank of our strategy to deal with this issue was to resuscitate the companies; protect the 225,000 policyholders, put the statutory fund in place so that we remove that risk for the future and begin the growth of this industry, with the hope that we can do so in a reasonable space of time, and perhaps open it up for some form of intervention by the local or foreign capital in the country.

It is not that the Government intends to stay in the insurance business. The Government intends to be the catalyst for economic change, but cannot sit back and do nothing when a situation is before us; a situation, Mr. Speaker, which would have brought about a disorderly liquidation had we not intervened. But I think it is important for public information to recognize that we rejected, deliberately, the disorderly liquidation model, which was the easier and least costly way, but in our view was high in social cost and strong social dangers ahead of us and therefore, that was an important plank.
And when those who have been commenting on this issue—and I have listened quietly; I have listened carefully. There is always the absence to distinguish between the Clico policyholders and annuity holders, and the 225,000 of them, I say here today to those that what we have done, we have given new life to the possibilities of Clico emerging and becoming an institution that can be sold, divested or participated in. I was even prepared at one time to say, “Are you willing to take shares in the company?” At that point I got no bidders—in lieu of the Government finding the funds.

So, Mr. Speaker, that is an important plank and that is the core, the traditional business that had to be protected. The Member for Diego Martin North/East tells us on many occasions, at one o’clock in the night at times, and forced me to respond to the same issues every time. I respond the same way, and he comes back with the same argument. I respond again, and today I am expecting him to come back with the same argument and I shall respond again. [Desk thumping]

The second aspect, Mr. Speaker, had to deal with the short-term depositors, and they have been placed in the position that I believe the numbers were in the order of 25,000. What we have found, as we get into this situation, is that the numbers needed to be tallied. There are tremendous challenges on the data side. I could tell you that now—tremendous challenges, but they have been worked on. So the numbers I have is 28,000 people with both groups. They are the short-term depositors. Some of them have small deposits, some of them have large deposits. We felt that it was a primary responsibility on the part of the Government to protect, at the minimum, the small depositors, which amounted to 11,000 up to 28 or 25,000 people. But we also felt in the game of equity we should not exclude from that facility those large depositors, because we have to have an equitable approach to this problem. In fact, the criteria that we used were well articulated when we began to evaluate other options, and I will probably come to that in a minute.

So we have taken steps to put into place the administrative arrangements, to make available and to offer to the 25,000 depositors a minimum payment—and I use the word “offer”—$75,000 to the 25,000 depositors.

Mr. Imbert: It is not 28?

Hon. W. Dookeran: I said it depends. If you include BICO you do not include it. The figures materially do not change the argument. We are including them in one and; therefore, that is the second step, in order to protect those depositors. Eleven
thousand of them would have had deposits of less than $75,000, so therefore they will have further risk. They will have no further exposure, and the small depositors will be protected by the Government’s proposals in this matter, consistent with a philosophy of social equity. But we have extended it to all, and steps are underway to make this offering within weeks from today. That will also help to inject new purchasing power into the economy, which is what I said earlier is the first plank of the new growth process ahead of us; and that is motion. Whether we could complete all this before the end of the year or not will depend on the administrative capacity, but what I can say, we will deal with all those who have had less than $75,000 in deposits before the end of the year.

Mr. Imbert: I thank the Member for giving way—very gentlemanly of you.

Would the payment of $75,000, which you have described as an offer, would there be conditions attached to that offer of a minimum payment of $75,000 for persons who have more than $75,000 in policies?

Hon. W. Dookeran: Well, it is an offer, and there will be normal conditions that are attached to an offer that you may have to agree that you accept this offer in lieu of your other rights.

Mr. Imbert: Any claim you may have?

Hon. W. Dookeran: That is right. And those things are being worked out. The legal people are working on that. It is a question you asked twice already.

Mr. Imbert: You answered for the first time.

Hon. W. Dookeran: Now, Mr. Speaker [ Interruption ]

Mr. Imbert: So it is take it or leave it.

Hon. W. Dookeran: The other category—before I go there the Prime Minister in her wisdom said this involved a lot of people and their lives, and although I had made this announcement in the budget debate as a model that will be adopted, let us listen to the people’s concerns, and the committee that was established by the Cabinet went on to do just that. The deliberations of that committee were assessed and we recognized that there are two areas that ought to be given immediate concern, because, in this situation, as we began to look at the people’s problems, there were first those who were dependent on the Clico investment for their immediate needs, whether in health or otherwise. So what we proposed, having investigated the way this is done in other jurisdictions that faced this problem, I have worked out some criteria to underpin a policy to have an open door for such
persons to have access. So that those who may wish to apply for immediate financial need, for whatever reason, may have an opportunity to do so. I recognize there is an exposure to do that, but I recognize, in the interest of the humane consideration, we should put that in place, and we looked carefully at what had happened in the Canadian jurisdiction that had faced a similar situation and had worked out some rules, which are still being finalized, to allow those up to the limit of $250,000 to access that part of the window.

Remember, Mr. Speaker, there is a limit. There is no such thing like a free lunch. So therefore, we cannot extend this to its full amount but it will deal with those who have the need for cash for nondiscretionary purposes, including for necessaries of life, and who has the need that is immediate. I believe it is similar to the philosophical underpinnings of this Government to deal with the problems of the people at the level of their own desires, whether it is in the Children’s Life Fund or it is in the policy proposals in Clico. So that such a window is being worked out and will soon be put into place.

The third area, Mr. Speaker, has to deal with the very thorny issue of the credit unions. In the first instance, I think it is important to note that the credit unions had, in fact, invested in this via personalities on behalf of the credit unions, because the rules did not allow the institutions to invest in these annuities. But notwithstanding the legal position, which is to deal with those who invested on behalf of the credit unions, we thought we should acknowledge that the credit union is the group that has a stake in this matter and therefore, in designing our adjusted programme, we have given very careful consideration to the credit union movement.

We also recognize that there is a stability issue at risk here, because the credit unions as a whole will have some consideration that they will have to make. [Interruption] Thank you, thank you. I am sorry. So I will try to rush. I was actually hoping that I would have 30 minutes, but, I was told I just have 10 more minutes, thank you. This is the essential point. So we looked at the credit unions in particular. We recognize some trade unions, not too many are involved, and we recognize there are some educational institutions, not too many, that have also been involved and we believe, as institutional investors in the name of the membership, that we should open a special window for them. In that respect, I could just give you quickly what our investigations have suggested. The credit union movement in general has been exposed from a stability position, but not as large as it is made out to be. We used a methodology to determine the extent of high-risk exposure and we have found that it is exposed, especially I believe,
some 10 credit unions may exceed the hurdle that of 15 per cent of capital invested, and amounting to $422 million and there are four other credit unions which are higher. I will not go into details, except to say that we have looked carefully at the stability of the credit union issue. And therefore, we have agreed to have a special liquidity support window that will make available funds—and I am in discussions right now with the Central Bank to source those funds—to make it available to the credit unions in a manner that is in agreement with them, but to be able to deal with all their commitments, which, as of now, are in the order of $758 million. So that is a major adjustment within the model, but it deals with a specific case of credit unions.

The other issue, the one that has really created the largest, the loudest noise, and the one that has created a lot of public attention, has to deal with the rest; those depositors who have deposits of greater than $75,000 and are asking for some form of immediate or delayed payment, and we looked carefully at all the proposals that had been submitted to the committee under the chairmanship of the Minister of Food Production. We actually analyzed them and found that they could not stand up to financial scrutiny and that in the end the Government will have to find the funds. The bottom line is how much can the national taxpayer afford?

One aspect that has emerged has been the aspect of the 20-year zero-rated bond. There are many in this country who believe that they will have to wait for 20 years. The truth is that that is not so. Anyone can exercise his right to go into the secondary market and discount his 20-year bonds at any time. I will expect people will make prudent decisions as to whether to discount it for liquidity purposes and reinvest it for their own benefit, or whether they allow it to mature at the end of each year where they will get the 100 per cent. That is a prudent decision. I do not think the Government is expected to make that decision on behalf of the investors.

The question really is, at what discount rate. That is the question. So let me dissuade anyone who believe they have to wait for 20 years. If they wish to do so, they will get at par value. If they do not wish to do so they can go to the secondary market and we have had discussions with all the banks in the country, and all the financial institutions that will perform such a role. And we provided them with what we consider to be a yield curve, that is, the rate of discount.

There is an important proviso that market conditions change so one cannot agree too much in the future today, and that is a normal thing, because you are
dealing with the market conditions. But having said that, it was generally agreed that within the first five years the discount rate will average 90 cents to the dollar. I can say that because I have got verbal and written confirmation from the banking community that within the first five years the discount rate for those bonds will be discounted within the range of 90 cents to the dollar. A haircut is, in fact, part of the scheme, but “you cannot have no haircut” in this situation. But it is a small haircut, because we have protected, in this measure, the principal. In many countries, Mr. Speaker, the principals have not been protected.

With respect to the subsequent period of the next 15 years, we are still engaged in discussions with the financial institutions to see what kind of incentives they may wish to have to improve the discount rate. Now, this will not happen overnight, but what I can tell you, in the first five years, for the first five-year bonds you can get a rate in the order of 90 cents. In fact, it may be more—it may be less—not less, it may be more.

So the issue that was at debate, really—and people did not understand the core issue; the core issue is what is the discount rate. People wanted a discount rate that will provide 100 per cent and provide it all at the beginning. That is essentially what they wanted.

12.30 p.m.

If we were to do that, then what I explained to you happened in Ireland, Jamaica, Iceland and Greece would be on our doorsteps, perhaps. I am not saying it will, but it was such a large problem. Remember $13 billion is large, compared to our budgetary revenue of $42 million. That is something people have to understand. What we are playing with here is $13 billion out of $20 billion, having already put in $5 billion or $7 billion, depending on how you measure it before, in a previous government. It was not a simple situation; that you could have paid them 100 per cent at the beginning and pay it now, or even pay it on the deferred basis.

The argument for the 20-year bonds, let me make it clear, has nothing to do with the issue of the people. It has to do with smoothening the debt curve of the country to ensure that we have a manageable debt situation over 20 years. The Government is committed to paying $500 million a year for 20 years, to meet this commitment. If we had gone on a shorter term, we would have had to increase it. If we had gone to 10 years, we would have had to commit ourselves to $1 billion per year for 10 years. We felt that strain would have crowded out the possibility of borrowing for the purposes of resuscitating the economy and financing the
development of this nation, at the expense of the depositors who had gained in the past and must pay some risk, in terms of this Government having the generosity, in terms of our approach in dealing with the problem to prevent a disorderly liquidation and provide a solution for the future and call upon those to come forward now and use the investment acumen to regain what they believe they have lost, if they feel they have lost it. I do not believe they have.

Mr. Speaker, I know time is against me. Let me conclude by saying that careful thought went into all this. A lot of assessment was done. Jamaica attempted to pay off the banks, at the expense of the country. Iceland forced the banks to become bankrupt, at the expense of the country. Greece decided to hide their debts for the future, at the expense of today, and Ireland now is in the situation where it has allowed the emergence of both the fiscal deficit and the debt position to get out of control and now they have to call an election to decide that. I can assure you, Mr. Speaker, when our situation is resolved, we shall be in a position to win the next election.

Mr. Speaker, I beg to move.

Question proposed.

Mr. Speaker: Hon. Members, having regard to the time, 12.34 p.m., the next speaker is the hon. Leader of the Opposition. I would like to propose to the House that we take the lunch break at this time and we resume at 1.34 p.m. promptly.

12.34 p.m.: Sitting suspended.

1.34 p.m.: Sitting resumed.

Hon. Dr. Keith Rowley (Diego Martin West): Thank you very much, Mr. Speaker. As I take my position to make a contribution to the matter before the House, I really must begin by joining the analogy put to us by the Minister of Finance, because I think a lot of what we are being called upon to face now has to do with how we see ourselves and our issues.

The Minister of Finance, in bringing this measure, talks to us about putting water in the battery of the country’s car. If I use that analogy for saying that it is the water in the battery that will cause the battery to spark and kick-start the economy, I can easily also say that he could not have picked a better description, because what the Minister of Finance has done, even before he got the job of Minister of Finance, is that he was using this analogy of Trinidad and Tobago’s economy being a motor car. What he told the country, even after he got the job as Minister of Finance, is that the motor car has no brakes, the steering box is
defective and the driver is suspect. He probably has no licence. After he has done that quite effectively, he then invites the national community to come on board. I am not surprised that there are very few passengers who are prepared to go on board that economy.

The problem that we are facing right now, in terms of the Government’s assignment, to get our economy going, is one of the loss or lack of confidence. They could say what they want, the bottom line is we accept that there were difficulties. The Minister of Finance started his presentation by talking about what happened in Ireland last week and what is happening in Ireland now. That too is cause for concern. Again, the Minister of Finance comes from an academic background, and in the Ministry of Finance is a Minister of Finance who, at one time, gave us a lot of advice as to how we should run Trinidad and Tobago’s economy. At that time, Ireland was humming along. It was called the Irish miracle.

The Minister in the Ministry of Finance who happens incidentally, to have come from Ireland, was always holding up Ireland to us as the example of how we should run this country. Ireland was supposed to be the perfect example of how a small country, small in the context of European size, should conduct itself and move to do what Ireland did; Irish miracle. Talk about the Celtic Tiger; that is what Ireland was called. Today, the Irish situation is an example of total collapse and IMF Band-Aid is what is in effect being prescribed for Ireland today.

Those persons who were advising us to use Ireland as the perfect example have nothing to say. It is left to the Minister of Finance to tell us about what is happening in Ireland and that we should prevent the Irish situation from being a reality in Trinidad and Tobago. I am wondering whether the Minister of Finance, once again, is seeing Trinidad and Tobago’s ultimate outcome as being on the doorsteps of the International Monetary Fund. I am wondering, because, the Minister of Finance, when he discusses his theories, always gives pride of place to Bretton Woods institutions. He likes to talk about World Bank, IDB and IMF. In an earlier reincarnation, he was instrumental in advising a previous government that the country was impossible to govern any other way than to cut public servants’ pay and take away their COLA.

We had been in a recession for quite a while, and the way that government of which he was an integral part managed the situation was to, rather than embark upon some policy of deficit spending and create some confidence, they said: “No, the way to solve this problem is to cut public expenditure.” The government had captured employees and they cut public servants’ pay and took away their COLA.
That was supposed to have fixed the economy. Of course, it made it worse, and we know what the outcome of that was.

Now, he is backing the Government in a different situation, albeit one of challenge. I do not want for one minute to pooh-pooh the fact that global challenges are affecting us. We are integrated in the world’s economy and we cannot take the position that we are not affected, but we are ultimately better off in this situation than we were in 1986. In 1986, early o’clock, go to the IMF, cut public servants’ pay and take away their COLA. That was the solution. Now, even as the IMF itself is telling us that the fundamentals in Trinidad and Tobago, notwithstanding any other challenge that we have, are good, our fundamentals are strong, we have good reserves, we have some savings, we have a fairly strong economy, in terms of our product having a decent market, oil prices have bounced back from $50 to be stabilizing about $80 or thereabouts, gas price has risen and is running in the order of $4 to $4.50 thereabouts. So, while things are not as good as they were in 2008, gas pricewise, we still have a fairly good and solid foundation. What was expected by this country, when the Government was changed, was that we would build on that and the new managers who had all the solutions for our problems would instil some confidence in our people, and that confidence to do things will have us doing things and improving our situation.

The Government has been in office now for six months. The first quarter of the budget is ending at the end of this month, so we are in a position to see the direction that we are going, and we were told about that direction by the Minister of Finance when he presented the budget. He told us that he intended to turn the economy around. At that time, we told him: “Please do not turn it around, keep it going in that direction”, because we did take a hit in the 2008/2009 period. We had some decline in our performance, but when this Government came into office we were responding to the challenges, but with growth in the economy. They met the economy, having had a period of difficulty before, being rectified in a way that we were experiencing growth of 2.3 per cent and he was projecting, in his budget, a 2.1 per cent growth. We are saying let that growth continue. Let us go in that direction. He said: “No, I have been hired to turn the economy around” and he has succeeded spectacularly.

They told us about all who collapsed. I want to ask him: what is the similarity between the Greek collapse and the Trinidad and Tobago collapse that he is telling us that is portending for us? What happened in Ireland that he sees similar in Trinidad and Tobago? What happened in Greece? The Greeks were paying themselves to a standard of living much higher than they could afford
within the EU currency arrangement. The EU managers said to them: “This cannot continue” and forced them to reduce their social spending, closer to what they could afford. That was the Greek situation. Everybody knew that the Greeks’ social spending was probably among the best in Europe; something they could not afford; fed off the EU support systems. Where is this similarity between that and Trinidad and Tobago?

1.45 p.m.

He talked about Iceland. Icelandic banks brought Iceland down. Where is this similarity with Trinidad and Tobago? The banks are the strongest part of our economy. Mr. Speaker, I say this to tell you, that it might very well be that our Minister of Finance is trying to fix our problem against a background of not understanding what is the requirement, and believing that because we have our own peculiar difficulties, if he does what he sets out to do in the context of what other people have done with different kinds of problems, that is our prescription.

This Government must take responsibility for the absence of confidence in Trinidad and Tobago today and the outcome of that, and no amount of blaming the PNM will change that. If the country was unhappy with the PNM, as it was on May 24, 2010, the PNM was fired, and new managers were hired. The understanding was that these new managers will know how to use our materials to build our structure, but no. They believe that all they have to do is praise themselves, because outside of these 29 persons who are forever praising themselves about what a wonderful PP they are, the rest of the country has serious problems. I have never heard people praise themselves so. You must allow a man to speak of you. Not you always talking about how wonderful you are—the PP this and the PP that—and the country’s economy is grinding to a halt. [Desk thumping] The reason it is grinding to a halt is because there are three areas of activities that need to be done in Trinidad and Tobago; one is government expenditure; the second is the private sector expenditure; and the third is the business sector expenditure as part of the private sector.

Everybody in this country knows that the Government plays a major part in driving the economy. Government’s expenditure is a major part of driving the economy. How does the Government spend that money, especially through injecting new money into the economy? It is through a development programme, and that development programme is largely managed and executed in the state enterprise sector.

The first thing that these Government officials did when they came into
office, because they came to clean the agent’s stables—anybody who walked the streets under the PNM must be made to be a cripple; anybody who ate under the PNM must starve; anybody who held a job under the PNM must lose it, because as far as they are concerned, anybody who was on a board under the PNM must be removed. So they issued the instruction that all board members must cease to function and hand in their resignation, they want a clean break.

We are not saying for one minute that they should accept appointees of a previous government. Having done that, this Government has not seen it fit to make the requisite appointments in the state enterprise sector to keep the economy going. [Desk thumping] In fact, as I speak to you now, there are major boards whose assignments have to do with carrying out public sector or even private sector activities, and those boards have not been appointed.

Hon. Member: Yet.

Dr. K. Rowley: Yet? You heard him! Six months have passed and you have not appointed the boards. The businesses of those enterprises have been suffering, and that suffering is translating as inactivity in the economy. They do not seem to understand that.

Mr. Speaker, it did not bother them at WASA. In the absence of a board, one of the first things that they were able to do, was to go and pick up Ganga Singh, while the DPP is trying to extradite Ben-Dak, to bring him here so that a major conspiracy relating to the Desalcott operation which Ganga Singh headed when he was Minister—while the DPP is sending an affidavit that thick, of a major conspiracy, which has tied us to a 20-year umpteen billion-dollar contract for a Point Lisas Plant and water, while that was happening, this Government that could not, cannot and still has not appointed a board at WASA, could find the time and its No. 1 priority was to put Ganga Singh in WASA as the CEO without any advertisement; without even a board to fix his salary, and then tell us that he has been placed there, and when a new board comes, it is going to advertise the position and I presume he will apply and then, of course, that will be their idea of transparency and fairness.

Today, you heard the Minister of Public Utilities talking about two letters he wrote about the WASA board not being in place, but writing two letters to have his partner there as CEO. That is how this Government is managing the country.

With respect to Nipdec, is there a Nipdec board? NIB is a source of funds
which Nipdec spends to create economic activity to earn money to pay NIS; that is grinding to a halt; no board. What is the problem with this Government? We cannot understand its priorities, because all they seem to be able to do is to praise themselves about the second coming of themselves. That is all! While they are doing that, the economy has stalled. I defy any one of them to get up and say that is not true.

The Minister of Finance went far afield today and gave us a great lecture about what is happening in the world. He started off telling us about Ireland, but he did not start off telling us about Trinidad and Tobago, because to tell us about Trinidad and Tobago, he would have had to tell us that while the Government sector has ground to a halt, because of the Government's inexplicable inactivity, the private sector is not borrowing and spending money either. They are waiting to see what is going to happen with the country, and based on what the Minister of Finance has told them about how terrible things are and how bad the future is, nobody is taking the chance to go out there and borrow money and start a new business to create new employment.

So, presently, Trinidad and Tobago's banks are awash with money. There are $3 billion in local banks presently with nobody to borrow it. If you have money in the bank, you might get half per cent or 1 per cent interest if you are lucky, while the bank is still maintaining an interest rate of 6 per cent or 8 per cent for borrowers who might come through the door, few and far between us as they are. The question is, what is the Government doing about trying to get the banks to close that gap between the 1 per cent on your savings and the 8 per cent on your borrowings when there are no borrowers in sight? So, the end result is, the Government is not doing anything and the private sector is watching and waiting.

Mr. Speaker, bankers would tell you, as they have told me that, on a given month, since this Government came into office, every month some of them are receiving more moneys in repayments than they are making in loans. Mr. Speaker, do you understand what that means? Once money is not moving through the economy, there can be no economic growth. Money has to move through the economy from one person to another; from one project to another—a dollar starts here, you pay him, he pays her—and there is a change of activities, but once it gets to the bank and it sits down there, that is it. The reason that is happening is because there is no confidence in what the future holds, and this has to do with what this Government has been saying and doing.

Consumers are the third arm. Nobody wants to spend his or her money because the future looks so bleak based on what this Government holds out for
them. Their jobs are in danger; the economy is grinding to a halt. So, you know, if you have a few cents, you have to keep them in your pocket and count them every day, and do not spend those cents, because you do not know if next month you are going to have a job.

So, with no consumer confidence; no business sector confidence; the Government's incompetence in the public sector and the state enterprises; why are you surprised that the economy of Trinidad and Tobago that was showing growth at the start of the year has now spluttered to a stall? The Minister of Finance is putting water in the battery. The economy has stalled. Do not shake your head; it has stalled. You do not believe me! Go out there and ask the parlours at the corner what the salesmen are telling them. The salesmen are begging people to buy something.

The distributed traders will tell you that they are having difficulty and they are seeing their sales collapse in front their very eyes. If you go out there and talk to those who are in business, they will tell you that business is drying up. We are here at the end of November going into Christmas, and this would normally be a period of great activity as we move into the seasonal expenditure of Christmas, but it is not happening. Over and above, not triggering governmental expenditure by having boards in place to continue the economic growth that was in place, the Government has taken the position that it will create fear and trepidation among the workforce.

Contract workers in the public service, who are a main part of our economic plank, the Government has taken the position that once you had a contract under the last government, once your contract is up, you are out of a job, unless you find individual favour by an individual Minister. That is what contract officers are facing in the public sector.

So those persons, many of whom have already lost their jobs, are either now not spending or looking for a job in a market where there is no employment, because there is no activity. Those who are still in jobs and their contracts are coming to an end sometime in the not too distant future, they expect that they too could be treated like that, so they have also held their hands on their expenditure, because they do not know what is going to happen to them after they lose their jobs under this Government's new policy. So you have lost those two.

Unemployment has risen to 6.1 per cent, and to the Minister of Finance, that is a number. When one looks at it, from 5.7 per cent to 6.1 per cent, that is 10,000 persons who have lost their jobs.
Mr. Dookeran: That was in the first quarter.

Dr. K. Rowley: How many lost it in the second quarter? [ Interruption ] Do you understand? So while people have lost and are losing their jobs, the Government has said absolutely nothing about what it will do to create jobs. When jobs are lost or are being lost, the role of the Government is to take action to stop the job loss and also to create employment opportunities. He talked today about everybody else's business, but he has not mentioned a word about what the Government is going to do to create job opportunities for those who have lost their jobs before; those who have lost it recently; and those who are to lose it as I speak. That is not their business. As far as the Minister is concerned, whatever he is doing now is guaranteed for them to win the next election, but between now and the next election, people have to live. Mr. Speaker, the Government has taken the position that it only has to be in office, and it does not have to do anything.

We have pointed out to this Government that there is a problem with revenues. The Government took a position—read my lips—no new taxes. Fine! What they also had on the lips which they did not ask you to read, but what we read, is no opportunity for economic growth. What activity is this Government aiming at that will generate economic growth in a period of either decline or potential decline? The Minister of Finance just spoke, and he had a wonderful opportunity to tell us. The Bill before us has all kinds of interesting things in it.

2.00 p.m.

Mr. Speaker, I think there are 26 sections in the Bill that have to do with pensions. The Government has decided to increase pensions and it has done so with respect to old age pension and has brought the other pension arrangements in line with that. A whole mass of these amendments have to do with organizing all those pensions and bringing them in line with old age pension. That is an expense item incidentally, and the other pensions are brought up.

When you look at the other things, there are some curious developments in there. We see that the Government is talking about increasing the limit from $250,000 for houses constructed for exemption under the Income Tax Act, to $450,000; no problem with that; no argument with that. But why is it retroactive to December 2009 and not taking effect from October 2010? That is curious. It is a measure which you are now putting in place.

That retroactivity tells me that there is somebody somewhere with houses that they built before this measure and the Government is trying to bring them into the loop. So the Government makes it retroactive to December, 2009; if the
houses are in place, they now will get the benefit of the limit being $450,000, as against the limit that applied when those houses were built for $250,000. I want to hear an explanation from the Government, when the Minister of Finance winds up or from one of the Government's spokesperson.

The same thing I see again with the Approved Property Development Company. Again I am seeing retroactivity to projects completed in December 2007. Why is that so? Why are we bringing into this arrangement that you are now putting in place, construction that took place in December 2007? I think there is somebody who has issues at 2007 and this retroactivity is targeting specifics.

There is the question of stamp duty on agricultural land. Again retroactivity comes into play and one: Are those persons who have paid stamp duty going to be refunded now that you are making it retroactive? More importantly, I expected that the Minister of Finance would have said something about the property tax which the Government has taken a decision to eliminate and the amnesty which the Government has given for fiscal year 2010.

Having said nothing about it and we have seen nothing yet, to cover the period ahead, it means that we have nothing in place now to cause taxes to be collected as we go forward. I would like the Minister of Finance to tell us how the Government intends to proceed with that, because these are the kinds of things that have an impact on the revenue situation. We got an accidental amnesty before and it requires that the Government clarify how it intends to proceed on that matter.

The Government is telling us we are going to have economic growth. It has seen it fit to cancel, on its own, the aluminium smelter, but there are financial considerations there which the Government has not taken steps to deal with. Having said that the aluminium smelter is cancelled, are you aware that the contracts that are in place, the partnership arrangements, are still in force and between announcing that the smelter has been cancelled and today, the Government has given no instructions to effect that cancellation. So we still have a partner in the aluminium smelter looking to the Government for recompense, for compensation for its 40 per cent partnership in a contracted arrangement.

We still have staff at Alutrint on the job, where Government is the majority shareholder. These people are on the job; the project has not been effectively cancelled, it is just there in limbo, in twilight. These are going to come back to haunt us as we go down the road in an environment where the Government is going to have revenue problems, but are going to have serious
payouts to make in a budget or in budgets which have significant deficits. I make this point to demonstrate that while the Government makes a career of praising itself about how wonderful it is, basic things that they are supposed to be doing, are not being done. [*Desk thumping*]

Mr. Speaker, are you aware that the National Gas Company has approximately 500 million cubic feet of gas per day commitments for contracts of gas that this Government has no idea what is going to happen with those contracts? These are take or pay contracts. These contracts were earmarked for projects which either the Government has closed them down, as in the case of Alutrint, which was a small user. Alutrint was using 1 per cent. [* Interruption*]

Mr. Speaker, could you save me from—

Mr. Speaker: Colleagues, I will like us to obey the Standing Orders. When someone is speaking let us hear that person in silence, please.

Dr. K. Rowley: Mr. Speaker, in anticipation that these projects would have gone ahead, the National Gas Company would have organized a supply of gas. In the case of the smelter, which was supposed to be a growth area in our economy, the Government has seen it fit to cancel it. We objected to it, no problem. It is the Government which has taken a decision to cancel it. I want the Government to tell us what the NGC situation is with respect to the $45 million cubic feet per day of gas that was supposed to go to the smelter in a take or pay contract. What is going to happen with that? A take or pay contract is very simple; you take it and you use it or you do not take it and you pay for it.

In that same situation we were supposed to have a plastics industry; gas was organized for that, gas to polypropylene. That was supposed to be another 150 million cubic feet per day. The NGC is in contract for that as well, take or pay. There was supposed to be the Essar Steel Plant. They had organized gas for that too, approximately 200 million cubic feet per day. That plant is no longer to be.

Of course, the investors in the AUM, the aluminium urea melamine plant—the AUM 2 was supposed to be an expansion of the project, that does not now appear to be on the cards, but the NGC is in contract for that too. So we have a state company, a major contributor to Government revenue, a major contributor to the economy that is supposed to grow, sitting on these take or pay contracts with no projects, either because the projects have been deliberately cancelled by the Government, as in the case of aluminium, or the investors have walked away because of circumstances of lack of confidence or changed economic
circumstances.

These are the things that the Minister of Finance should address in treating with Trinidad and Tobago's situation. It is from these issues that a Minister of Finance would be able to properly address our own circumstance and come up with the kinds of solutions, rather than telling us what happened in Greece and Ireland where they are treating with different issues. They may all end up in economic collapse, but the pathways are not the same.

This Government that cancelled the aluminium smelter is sitting on a $600 million contract with CMEC. What is the liability we have there? We know what it held for economic loss of activity; we know what it does for removing an area of economic growth, but the potential for payments further down the road when the Government’s folly is dealt with, the Minister of Finance is not looking at that at all. There is no equivalent in the Irish or Greek situation. This is a Trinidad and Tobago problem largely created by a Trinidad and Tobago Government that requires a solution from the Government of Trinidad and Tobago. That is not on the horizon at all. [Crosstalk]

Mr. Speaker: Order!

Dr. K. Rowley: There is another project that should have been on the horizon, the BASF Shell project and Lurgi. That was supposed to have been a $1.5 billion foreign investment that we should have been attracting here in Trinidad and Tobago. I am advised that given the absence of confidence and people not wanting to treat with this Government's climate, that project is now either in jeopardy or we have lost it; a US $1.5 billion project. I presume that the Minister of Energy and Energy Affairs—I saw her in here today—will tell us. That is the gas to propylene plant, US $1.5 billion, which is now in jeopardy or we have lost. To the extent that all these projects are not now on the horizon, it is either because they have been cancelled or because the investors are backing away, what does the future hold for economic growth for Trinidad and Tobago? Without economic growth it brings us to the point that we are now having serious deficit financing.

The Minister of Finance and the self-praising Government has been telling us recently that by Christmas there would be an $8 billion injection into the local economy and, to use their own words, "milk and honey will flow for Christmas;" well, we have one more month to go. The $8 million injection, even that was misrepresented to the country, because that money is an intention to borrow over a five-year period. What the Government has borrowed, I think, is a US $140
million to date from the IADB, which will take its own sweet molasses time to flow into our economy, because IADB money does not come to you like that. That money is not $8 billion.

2.15 p.m.

When the national community, the business sector and others start calling on the Government to inject some activity in Trinidad and Tobago, Government play your part to kick-start what you have stopped. You had two weeks of PR, $8 billion to be injected into the economy, once again, fooling people, fooling people because it is not happening, certainly not by Christmas, certainly not by Christmas. More importantly, Mr. Speaker, because of the sound situation that we are in and I prefer to say notwithstanding our difficulties, we were in a good position to borrow money—that is not up for debate—our foreign debt was low, our local debt was manageable, we had good credit ratings, so we are a good borrower.

The Minister of Finance goes on out to borrow, but the lack of confidence that we are seeing being manifested in the loss of economic activity and the loss of jobs and the hardships people are experiencing, that has another sequel when people begin to think this borrowing that the Government is going to be doing, if that borrowing is taking place against a background of no real potential for economic growth, that borrowing is, in fact, trouble. Because, when you borrow, Mr. Speaker—there is not anything wrong with borrowing you know. We accept that there has to be borrowing, deficit financing to take us forward on the path that we were on, and this Government is continuing deficit financing, but side by side with deficit financing has to be aggressive attempts at getting economic growth.

If we borrow and we fail to get economic growth, then the issue of repayment becomes a challenge and then the debt crisis that he promised us he will deliver, the same way he delivered a turning around of the economy by Christmas, he will deliver that debt crisis that he spoke about, because he was the first one to tell us that we were on the slippery slope of a debt crisis because our debt per GDP ratio was 50 per cent. He happens to be Minister of Finance, then that figure is in fact probably true. Now that no serious attempt is being made to generate economic activity in Trinidad and Tobago to have growth in our economy, especially growth that would lead to foreign exchange earnings, the loss of confidence is being cemented because people who understand these things will say, “I have to watch Trinidad and Tobago carefully”. What we are doing now, we are going to borrow abroad, and this is something that the Minister of Finance must explain to us. Why is it that the borrowings that they are doing will
largely have to be done in the foreign market? [Interruption]

A lot of the expenses that the borrowings will fund will require and can be funded by local dollars.

**Dr. Gopeesingh:** Thank you very much, Member for Diego Martin West, you are making the point about borrowing, questioning whether we are borrowing externally versus locally. Are you aware of the rates that the local banks give to the borrowing—nearly 8 per cent versus foreign banks and the IDB giving a rate of 1 per cent to 1½ per cent with a five-year moratorium and 20 years to pay that? Are you aware? Would you take a loan of 1½ per cent interest versus 8 per cent and 9 per cent interest in the local loan?

**Mr. Speaker:** Hon. Members, the speaking time of the hon. Member has expired.

*Motion made*, That the hon. Member's speaking time be extended by 30 minutes. *[Hon. A. Roberts]*

*Question put and agreed to.*

**Dr. K. Rowley:** Thank you very much. Mr. Speaker, I know that the IDB lends at preferential rates. *[Interruption]* Thank you very much, I was—if he would keep quiet he would not distract me from me thanking him for his generosity. *[Interruption]*

Mr. Speaker, the IDB does lend at preferential rates, but that is not the point. The point is, when you have to repay against a background of not being able to earn the foreign exchange to pay, it poses a bigger threat to you than borrowing at a per cent or two above. In fact, the local banks in this country, I think all except one, are on the stock exchange. They are widely owned by the national community, the pension funds, unions, individuals and so on. If you borrow from them you are generating activity and reducing stagnation. We have stagnation in our banking sector. *[Desk thumping]* So it is not a question of chasing after the lowest interest rates, because I will tell you something, if that is what you all are doing, very soon the very said preferential lenders will not lend you any money, they too, will advise you to do something about your local stagnation. When the Government borrows from local banks and it pays even the higher interest rates, they are enriching their own people, because the shareholders in those banks are the beneficiaries of that interest earning.

If the Government does not see that—*[Interruption]* If the Government does not see that, well then, this Government does not understand its role. Also, what is the Government's role? I mentioned it earlier on. There is a spread between 1 per cent
for savings and 6 per cent for lending. Does the Minister of Finance have any role in suasion with the banks to say that its spread is too wide? Does the Minister of Finance have any role there?

**Hon. Member:** No!

**Dr. K. Rowley:** Does the Minister of Finance have any role in making it competitive and taking from the banks the best rate? Are you saying that if the Government goes out to raise $1 billion in the local market everybody would pay that 6 per cent and nobody gets the job because you would not bite at that? Would somebody not give it to you at 5 per cent and get the job?

Mr. Speaker, the Government cannot excuse itself by saying that money is cheaper outside so we can ignore the local banking sector, not even offer them the opportunity, but that is not my argument. That is not my argument! My argument is putting this country on notice that as the Government builds up a foreign debt portfolio—whatever the reason for doing it—and proceed to kill off the economic growth, the repayment of that foreign debt could become an albatross around the neck of the people of Trinidad and Tobago, in the not too distant future. That is my argument. [Desk thumping]

If you have taken the decision that it makes more sense to borrow on the external market, that has to be accompanied by a decision to ensure that you have a revenue stream in foreign exchange that will service that money, [Desk thumping] because, if you do not do that, when those repayments become due, because I do not think they would stop at IDB borrowings, you know. Very soon you would see the Government going and borrowing on the open market. When those repayments become due, they are virtually first call on what foreign exchange you earned and somewhere down the road in the not too distant future, if economic growth is not returned so as to earn significant foreign exchange, what little foreign exchange we will be having in hand, the first call would not be the health sector, you know. The first call would not be the manufacturers who cannot import for manufacturing, you know; the first call will be for debt service—and when you reach that stage, Mr. Speaker, your economy is in trouble, real trouble. The trouble he predicted before we got to that stage, we are not there yet! However, we have to look at the road ahead to see if we do not steer this motor car that he is talking about, the one he is putting water in the battery, if we do not steer it on a course to be able to service our foreign debt down the road, that we may go off course and end up with a debt problem. [Desk thumping]

Right now we are good borrowers. We do not have a debt problem now,
but he may very well be laying the groundwork for that by ensuring that there is no economic growth. In the absence of economic growth, Trinidad and Tobago’s future would be very shaky, because we have an expenditure pattern which we all know—right now this particular budget that we are dealing with, that this Minister of Finance brought here is the largest budget in the history of Trinidad and Tobago. The expenditure that we have here is a huge expenditure, and that budget requires a revenue stream to sustain it, otherwise the gap that we predicted is going to be larger than it is.

After six months we have seen nothing to tell us that this Cabinet, when it meets, discusses economic growth. We have seen nothing! [Desk thumping] We have seen nothing that this Cabinet is concerned about having economic activity on the front burner in this country. We listen to the manufacturers, we listen to the business associations and they are now speaking up and saying, “Things are not as they should be and that the Government should take certain decisions”. We spoke to a few unions in looking at the unemployment situation and all of the unions would tell you that there is something that the Government had to do, which the Government is not doing and in the absence of that the unions have problems with maintaining their workers at the workplace.

This is not just the PNM talking or bad mouthing the Government. Anybody who is doing anything in the economy will tell you that the economy of Trinidad and Tobago today has virtually stalled. Mr. Speaker, what have we had so far? What have we had so far? We have had about—there is a six-point plan that the Government has. The first point in the plan was to turn the economy around. They have done that! Turn it around from growth to decline. They have eroded confidence in the economy. Done! They have increased our dependence on the energy sector, because right now the non-energy sector is in greater trouble than when they came into office. [Desk thumping]

So instead of delivering on that one to reduce our dependence on the energy sector, we are now more than ever dependent on the energy sector. That is a fact! The way they have dealt with the Clico bailout, notwithstanding the Minister of Finance’s self-praise, it has engendered a loss of confidence in the country and there is a huge wait and see as to how this will play out, both persons involved in it and persons not involved in it. As the Minister of Finance himself said today, that that issue of the managing of the Clico situation is being looked at to see how it will play out before persons take a position of activity with respect to our economy.
So that confidence we are waiting to see—that restoration of confidence—and we hope that whenever the Government chooses to take a decision, because so far, between the budget presentation and now, what we have had is a series of gallerying by Government and the same way they would not appoint boards, they would not take a definitive decision on this Clico matter so people can say, “Okay, that is what it is going to be”. We still have it in a twilight zone with one group figuring it is going to change, one-half of the Cabinet is saying that it is going to change and the other half is saying it is not going to change and we are hearing that the Minister of Finance is going to walk if it changes.

We only have to go by the information we have in the public domain, because the Government will not take a decision so that we could start from there and begin to have some restoration of confidence. So we have that!

2.30 p.m.

Mr. Speaker, there is great hesitancy in the labour force and there is great trepidation in the labour force with respect to whether jobs are going to be available for them in the coming year, even now. Labour is in turmoil in this country today, as it has not been for a long, long time. [Desk thumping]

The Government is required to treat with public sector workers, its own employees, and by extension, to lay the groundwork for what is going to happen in the labour market in the private sector. The Government is paralysed in place, not knowing what to do with respect to treating with its employees. Public servants are up and down the streets. The Government sends no signal that it is in control of the process.

Trinidad and Tobago has an absentee Government. The country is going down the drain and the Government is off somewhere partying and praising itself. Every time it gets up, the PP this and the PP that but it sends no signal of confidence that we are in control of this process and we know what to do. [Desk thumping]

As I said earlier on, we see nowhere in front of us or on the horizon any activity being held out for stimulation of the economy. You heard some Ministers talking about a stimulus. What stimulus? Where is it? Where are we being stimulated? What stimulus? If there is a stimulus, tell us. Let it contribute to confidence; let people know that something is going to happen and, therefore, you can continue to spend money. Each person in this country is a consumer and, therefore, you can continue to spend money. Each person in this country is a consumer. Right now the average consumer in this country is frightened and
because of the grinding to the halt, and because people are not prepared to participate in the economy, one problem has been solved, and that is national savings.

For years we have been talking about the need to increase national savings. Because of the destruction of confidence that reigns in this country today, whoever has money is saving it. So overnight we have now become a country which is well known for savings. Our savings have grown dramatically. That is a good thing; it is a good thing to save, but for there to be an economy that is growing, there needs to be spending. Too much of any one thing is bad! When you see the Government, Mr. Speaker, tell them that for me please. [Desk thumping] Tell them that! If we all save and do no spending, there is no economic growth in this country and an absence of economic growth will ultimately lead to a destruction in the quality of life of the people of Trinidad and Tobago, thanks to the PP. [Desk thumping]

What we expected was astute management of the country on a foundation that could have held out for the people of this country, an economic growth that could have seen them at least holding their own, if not improving their quality of life. We had the wherewithal, notwithstanding what is happening externally, notwithstanding what is happening in the country. Good governance; timely intervention; appropriate decision-making and a lack of malice could have seen the people of this country maintaining an even keel even as the Irish collapse. We are not the Irish; we do not have their problem. We have things going for us. Instead of that, we are being force-fed by this Government, force-fed into accepting that they are doing us some favour by their presence. Well, they are doing us no favour.

The Government of Trinidad and Tobago has a responsibility to not make a career of fooling people. You know how they fool people with the—they believe that all they had to do was to get votes, get into office, tell any number of lies, promise anything. Right? Promise to spend on everything even though you have revenue problems; promise pensions even though you cannot pay. And a classic one—I want to draw your attention to the latest deception to the people of Trinidad and Tobago by the group that calls themselves the PP. We expected that this Government would have done dramatic interventions in agriculture. What are we facing now? The worst embarrassment you could think. This Government went out there and deliberately fooled cane farmers into believing that there was a $400 million loan somewhere there. [Desk thumping] And the reason they were not getting it was because the PNM was racial to cane farmers and they gave the
impression that there was money there to be had. Let me read for you, Mr. Speaker. Go back to February 28, 2008, Newsday—[ Interruption ]

Mr. Speaker, I would like to read in silence, please. I want you to—that colleague over there----

Mr. Roberts: “Doh point at me, man.”

Dr. K. Rowley: I want to hear my own ears.

Mr. Speaker: Hon. Members, I want, just for the record, to advise Members who are not reading their Standing Orders, to do so. I want to refer Members to 35 and I also want you to refer to 40; both 35 and 40 of your Standing Orders; all Members. Please, continue.

Dr. K. Rowley: I was talking about Caroni. When the country decided in response to the loss of our preferential markets in Europe, to get out of sugar, the Government realized that there was an expense. The EU also accepted some responsibility to assist the Government of Trinidad and Tobago to fund the removal of sugar as a major economic enterprise. The Government of Trinidad and Tobago undertook all the expenses that related to the closure of Caroni (1975) Limited, the major one being a $2.5 billion enhanced VSEP for the Caroni workers. Of course, if you listen to Members on the other side, you would believe that did not happen. My friend from Couva South might want to enter the debate and tell us about it. Two and a half billion dollars, enhanced VSEP to Caroni workers. Caroni debt that was owing to all and sundry, the Government paid that off. That was another hundreds of millions. The pension fund in Caroni that was unfunded, the Government funded it and brought it up to date. The preparation of infrastructure to allow Caroni workers and others to get land for residences and for farming, the Government funded that. That was another billion and a half dollars.

All of this was a requirement in the response to the closure of the sugar industry. The EU offered a series of tranches of support money to the Government to assist—not to fund—to assist in this expenditure. That money was never supposed to be added to what was given to the workers and farmers. That money was always meant to replace Treasury funds that were spent on the items I just mentioned. So the Government spent money to get those things done and some of that money was recouped by the EU grant to the Treasury.

Come February 28, 2008:

“Cane farmers are calling on Government to reopen negotiations for their
compensation.”

Now, the compensation was dealt with and signed off on and they were paid. My friend from Couva South was there. They were calling on the Government to reopen negotiations for their compensation:

“…after the EU yesterday confirmed that Euro 41M was allotted to Trinidad and Tobago...”

We were one of 18 countries so affected by this closure of the sugar industry and the EU was giving all these governments some money to assist in the expense that they were incurring.

The minute this information came here, cane farmers, through their leadership, wanted to reopen the negotiations even though they had already been compensated and they had been given all that they were entitled to. The PNM government kept saying that this is not money earmarked to give to cane farmers; this is replacement money coming from the EU. They would not hear of it. Up comes election.

The Guardian, July 24, 2010, even after the election, because they went to people and told them, “Elect us to office and we will give you the money. The money is there; we will give it to you.”

**Dr. Browne:** Where you see that? Who said that?

**Dr. K. Rowley:** “Bharath: Cane farmers to get EU million$ soon.”

**Dr. Moonilal:** Thanks ery much to the Opposition Leader for giving way. I just want to be very clear on something. You are suggesting that the moneys that were given or offered to the Government of Trinidad and Tobago as grant funding, were for the central government, as opposed to moneys for use in the restructuring of the affected sectors, cane farming, sugar and related communities?

**Dr. K. Rowley:** I am not suggesting again; I am stating. The government, using taxpayers’ money, incurred a series of expenses. Those expenses were funded by the Treasury. In support of that governmental expenditure, the EU decided to assist the government by reimbursing the government with these annual grants; simple and straightforward. The Government has to apply for it and the Government only gets the drawdown—it is being drawn down in tranches and the EU would pay that money when the Government shows that it has done certain things that were required to be done, and at each stage in the process, it will get another tranche, another tranche, another tranche. It started in 2007 and it is
supposed to go, I think until 2012, where the government for each year will show that certain things are being done and they get that money.

The money was never meant to be handed as compensatory cash to cane farmers. [Desk thumping] The Government could spend the money however it sees fit in the economy. The Government could spend the money anyhow it sees fit, including on agricultural development. But the money was never meant as a right to be had by cane farmers.

Listen to this in the Guardian of July 24, 2010:

“Bharath: Cane farmers to get EU million$ soon;
Cane farmers can breathe a sigh of relief as Minister of Food Production Vasant Bharath has assured them a European Union (EU) grant of $42 million euros will soon be made available to them.”

That is what you did. You went and told cane farmers that this money would be made available to them, Vasant Bharath, Minister of Agriculture, campaigner par excellence! And the UNC and the PP who campaigned during the election, “that if you elect me into office I will give you that money!” Lo and behold, Monday, November 22, 2010, I could not believe my eyes when I saw in the Guardian: “Bharath confirms no direct EU monies...Trouble brewing with cane farmers.”

Mr. Imbert: The same “fella”?

Dr. K. Rowley: The same Bharath who campaigned that the money was theirs and the PNM was wicked; the PNM was racial; the PNM was hiding the money and that they will get the money once they are elected. When the cane farmers came for the money in July: “Bharath: Yuh getting yuh money soon.”

I crave your indulgence to read copiously from Mr. Bharath of November 22, 2010, Member of Parliament for St. Augustine. I read from an article written by Radhica Sookraj, Guardian South Bureau:

“...statements by Agriculture Minister Vasant Bharath that there will be no direct compensation to cane farmers using the European Union grant....’

Sees trouble brewing:

“Speaking to reporters during a tour on Friday (which is last Friday) Bharath said he met with the EU on three occasions to discuss the socio-economic problems and diversification strategies for farmers.”

So he met with the EU three times trying to convince the EU to carry out a UNC
proposal. The EU will not budge. The EU said, “This money is not for cane farmers; it is for the central government to spend on the whole country.”

“Acknowledging that funding was given to Government to assist with diversification, Bharath said: ‘I am yet to convey those discussions to cane farmers.’”

So he has not told cane farmers yet, there is no money to come, but my friend from Couva South will tell them.

“Bharath said similar funds had been given to 18 other countries of the world who had moved out of sugar cane.”

But we told you so. He now find that out, or he is now acknowledging that it was not any particular PNM pressuring cane farmers, but it was 18 countries getting EU money at central government for diversification.

To quote him, listen to what he said:

“These countries have used the funding to do things like prepare land and go into other diversified crops, so we are looking at that. Asked whether farmers will be given direct compensation, Bharath said no.”

Mr. Imbert: The same Bharath?

Dr. K. Rowley: The same Bharath. Same Bharath who in July was telling farmers, “yuh money coming soon; EU money is there; PNM was hiding it; it is coming soon!”

“Asked whether farmers will be given direct compensation, Bharath said no.”

But he is not now only saying no, he goes on to insult cane farmers.

2.45 p.m.

He says:

“The intention from what we gather from the European Union is that monies ought not to be put directly into the farmers' hands because...”

Once farmers get the money, they will use it to buy stove and car.

Hon. Member: Read that again.

Dr. K. Rowley: He said:

“The intention from what we gather from the European Union is that monies ought not to be put directly into the farmers' hands because the experience has
been that when farmers get hold of large sums of money, the money is not put to use...instead, often monies were used to buy household items such as stove or a car.

That is the experience of the EU and this is why the monies are placed in the hands of the Government.”

So once again, Mr. Speaker, this Government stands accused of fooling the people of Trinidad and Tobago [Desk thumping] and I presume that when my friend, the Member for Couva South goes back to Couva, he will tell them that this was a misprint.

Mr. Speaker, it is actions like these that caused the people of this country to not trust this Government and to have no confidence in anything they tell us or anything they do. [Desk thumping] It is the behaviour of the Government in cancelling contracts willy-nilly, with no consideration for the outcome, financial or otherwise. It is Government by irresponsibility, deception and untruth. [Desk thumping] That is why, today, our economy is where it is, and notwithstanding anything the Minister of Finance says in this House, sounding as highfalutin as he can, sounding as intellectual as he can, in rhetorical description that he can make them, there will be no improvement in the economy in Trinidad and Tobago under this Government because no confidence will ever be established in this country. [Desk thumping] They have no idea what the actions are costing people. There are households where they have fired the breadwinner for no good reason; there are households where they are terrorizing the breadwinner for no good reason; [Desk thumping] there are households where they are terrorizing the investor for no good reason; and there are projects that they have destroyed for no good reason. This PP is a danger to the economy of Trinidad and Tobago. [Desk thumping]

I thank you, Mr. Speaker. [Desk thumping]

The Minister of Trade and Industry (Hon. Stephen Cadiz): Mr. Speaker, I am very pleased to join this debate on a Bill to provide for the variation of certain duties and taxes and to introduce provisions of a fiscal nature and for related matters. This Bill demonstrates once more the seriousness this People's Partnership Government attached to its promises and, in particular, those announced by the hon. Minister of Finance during the fiscal 2011 budget presentation.

I would first like to say, that I am brand new to this House; in fact, May 24 was actually six months ago [Desk thumping] and really and truly, sitting here this morning and listening to the Prime Minister, the Member of Parliament for
Siparia, having to answer to—I am not too accustomed to parliamentary language, but all I could describe it as, untruth, frivolous and damaging. I do not know how to describe it, but it was a very, very sad day for me. Only six months into this Parliament, to see somebody like the Prime Minister, a mother, a wife—you have two people building a house, spent their lives building a house and to have the Member of Parliament for San Fernando East come here—[Interruption]

**Hon. Member:** He never built a house.

**Hon. S. Cadiz:** Yes, but I cannot say whether or not he ever built a house. But to really and truly take the Prime Minister, the Member of Parliament for Siparia, to task for doing something that every single Trinidadian and Tobagonian wants in their life, which is to build a home for themselves and for their children—

The hurtful part about it is that not one Member on the other side got up to tell the representative from San Fernando East something. It seems as though, therefore, they would encourage that sort of behaviour, that when people save for their entire life to build a home, there is something wrong with that. I guess that is what you would call PNM economics. [Desk thumping] What I heard from the Member for Diego Martin West just now, is true PNM economics. If what happened on May 24 did not happen, where would this country be today? God help us is right.

I listened to him and I heard him saying that the problem facing this country is a lack of confidence in the Government, in the People's Partnership, not the PP. Twenty-nine/twelve. I ask myself a very simple question: where did that come from? Who created that? Who created that environment of what he calls a lack of confidence? A lack of confidence in any country does not come overnight. A lack of confidence comes from years of neglect, years of mismanagement and years of unproductive expenditure. That is where the lack of confidence comes from, and when the People's Partnership came into office on May 24, the first thing that people wanted to see, was how we were going to fix this problem that we have inherited, every single Trinidadian and Tobagonian has inherited from that side. Because when you have eight years of neglect, there is no way you could turn that overnight. You cannot do it. You cannot turn it into a success overnight, and what I have seen in the Ministry of Trade and Industry is a complete lack of management, of good management. We have seen the misspent by the People's National Movement—unbelievable—moneys unaccounted for and over runs on every single solitary project.

I would like the Member for Diego Martin West to stand right now and
give us one single project that that government did in the eight years and did not have a cost overrun. You see, you cannot answer that because they know exactly what they did with the money. They know how the money was spent, how the money was misspent. I believe it was $300 billions of taxpayers' money that side was in charge of for eight years, and all of a sudden we end up now with a country where there is a lack of confidence, after misspending $300 billion. [Desk thumping] You are bound to have concerns. You must have concerns, Mr. Speaker, and that is exactly what they did. They created it. We did not create it. We came here to fix it. [Desk thumping] That is what our responsibility is. He talked about the Minister of Finance turning around the economy, and that by turning it around, we are going back. We should have continued on the path of the other side. How could you continue on that path? Where would this country have ended up?

When I listened to the Member for Diego Martin West talk about his style of economics, which is to borrow, borrow, more borrow, spend more, no accountability, no responsibility—That is their style of economics.

Dr. Rowley: When I did I say that? You were sleeping?

Hon. S. Cadiz: So, Mr. Speaker, really and truly, when you listened to what the PNM's economics is, the last hour and 15 minutes was a great revelation for me because I now know what not to do. [Desk thumping] If we were to follow and continue on the path that they were going—the unemployment started in the first quarter of this year, but they do not want to admit that. They cannot. Ten thousand people have lost their jobs in the first quarter. I do not know what economic school the Member of Parliament for Diego Martin West went to, but apparently that was not part of his forte.

Mr. Speaker, I wish to remind the honourable House that the Government's theme for the 2012 budget will be: Rebuilding Confidence and Laying the Foundation. Rebuilding confidence. That is what it is and that is our responsibility.

Dr. Rowley: You failed.

Hon. S. Cadiz: You cannot fail in six months.

Mr. Speaker: Order!

Hon. S. Cadiz: Mr. Speaker, the other side had eight years of failure. Eight solid years of failure. [Desk thumping] They failed to accept the fact that it is not Balisier House money that they spent, it is our money. It is taxpayers' money.
This is money from the people of Trinidad and Tobago, but they are always talking about what PNM do and what PNM build, houses and what have you, as though it is their money. It is taxpayers' money, and when you misspent that money, it is taxpayers' money you were spending. The Member for Siparia this morning spoke about, when they got money they spent it, they built, they pulled back, they went again and they kept on going like that. That is how you do it. You spend what you have. You cannot spend what you do not have, and when you misspend more than what you have, well then you are in serious, serious trouble.

So this Bill before the House is meant to contribute in doing exactly that. We are building confidence and laying foundation, but unlike the previous administration to seek its partnership with all sectors of the economy, and indeed, the country as its foundation. That is why we have come to the Parliament today, with this Bill, to amend the various pieces of legislation to give effect to our promises, as well as to lay the foundation for three important challenges which face the local economy.

Mr. Speaker, clause 23 of the Bill—which is the Free Zones Act—is being amended to remove the $50 million cap for qualifying firms and the Government believes that these measures would encourage new business development with an export bias of increasing free trade zone business activity.

Just to give you an idea of the issues with the free zone. In the free zone, we have approximately 2,625 persons employed, both direct and indirect jobs at the free zone. Over the years from 2006 to 2009, employment declined from 4,500 jobs in 2006 to the 2,625 jobs in 2009. So there has actually been a decline of employment in the free zone area, but by removing that $50 million cap, what we are going to do there is to encourage people to come in. We are not talking about free zones where many people think what a free zone is—[Interruption]

Dr. Rowley: I thank the Member for giving way. Is the Minister in a position to tell us, that by removing the cap of $50 million, will there be a cap; if so, what is that cap or is it that the cap is indefinite?

Hon. S. Cadiz: I think the Minister of Finance had made the statement in the budget presentation that the cap has been removed and that there will be no cap.

Dr. Rowley: So any industry can go into the free zone?

Hon. S. Cadiz: It is not a case of any industry going into the free zone. Mr. Speaker, the Government is also mindful of the challenging global environment facing the local manufacturing sector, and this is why we have come to this
honourable House to give effect to clause 24 of the Bill, to amend the Income Tax Act. The Minister of Finance has already made that statement of the amendment providing for an adjustment in minimum warranty allowance from 75 per cent to 90 per cent. This will assist the self-employed and those in the small and medium enterprises sector, a quicker write-off of assets and place them in a beneficial position to start up operations. So when the Member for Diego Martin West talks about that nothing is happening, that the People’s Partnership is doing absolutely nothing to encourage business, I do not think he was here for the budget speech.

Mr. Speaker, the Bill also gives effect to a number of initiatives pronounced by the Minister of Finance to support the use of alternative energy. Unlike the previous administration, whose vision for the energy sector was embedded way below the earth surface, this Government prefers to plan ahead and examine alternative viable sources of energy to put this country:

1. on the path to energy sustainability; and
2. build that support for a further diversification of the economy.

I remember hearing the Members on the other side, before May 24, talking and boasting on how much electricity this country uses, and that Trinidad and Tobago is one of the highest users of electricity per capita in the world. That was a boast. We are using more power than we know what to do with it.

Clause 16 is directly related to the two intentions, which are on the path to energy sustainability and to also build that supportive framework for the further diversification of the economy. It is the Government’s intention to develop a whole new range of industries by promoting the use of alternative energy and there is a whole business out there. For instance, if we take Barbados as an example, all of us who have been to Barbados would have seen practically every Barbados house, every Barbados resident is solar heating, instead of using the utility for heating.

3.00 p.m.

Mr. Speaker, as you know, the competitiveness of any country is critically important since, among other reasons, it plays a major role in affecting its ability to generate future wealth and attract inward investment. In this regard, the 2010/2011 Global Competitive Index was recently released by the World Economic Forum (WEF). Trinidad and Tobago is ranked 84 out of 139 countries globally, which, thankfully, is an improvement from its 86th and 92nd position in 2009/2010 and 2008/2009 respectively. What is very troubling is that Trinidad
and Tobago ranked 84 out of 139 countries; way down the track.

When the Member for Diego Martin West talked about the whole economy being stalled and being turned into a God-awful mess in six months, that index was not for these six months, you know. It was for when all of you were in power; when the Member for Diego Martin West was fighting with the Member for San Fernando East. That helped create the problems we have with the Global Competitive Index. Instead of their sitting and governing this country properly and understanding the problems, they were fighting amongst themselves. [Interruption] Ask him where the money gone? No, I am not going there. Somebody else will ask him where the money gone.

We should note that though the country has improved its global rank for this year by just a fraction, by just two positions, its overall score was just four out of 10 in the 2009/2010 GCI. Therefore, the fundamentals or the international competitiveness has declined. They are responsible for that.

Coming back to this six-month period, I do not know how they could ever expect this country to be turned on its head in a six-month period; not after eight years of unbelievable neglect. Additionally, Trinidad and Tobago's position deteriorated steadily under the previous administration because, in 2003—and this is very important—Trinidad and Tobago ranked 42nd worldwide and in seven years they ruined it. It went from 42nd to 84th and, of course, 84th is not a better position; it is a worse position. From 2003—2007, they destroyed it completely. It does not get any better.

Within the Americas, Trinidad and Tobago ranks 15 out of 34 countries behind some other Caricom countries, including Barbados. Mr. Speaker, I do not know if you heard that Barbados just crept into developed status as at last week. Barbados is now considered a developed state and here it is that Trinidad and Tobago is down in the dumps. Why?

**Hon. Members:** Because of them.

**Hon. S. Cadiz:** Trinidad and Tobago possesses a competitive advantage in only 25 of the subindices in things like legal rights. The Member for Diego Martin West talked about the soundness of the banks, which is true. The majority of the banks are foreign owned and there are a couple other indices where we do favourably.

However, Trinidad and Tobago possesses a comparative disadvantage in 85 of the subindices. In capacity for innovation, we ranked 138; business cost of
crimes and violence, 131; but the Member wants to come here and talk about what was done in six months. In eight years they allowed this country to become practically a war zone. They did it and they expect us in six months to turn this thing around and solve eight years of neglect in six months. I do not understand where they are coming from.

One of the issues was public trust of politicians. This index was done last year when they were in power. We ranked 103 in the world and the Member wants to talk about what we are doing? I do not understand where he is coming from with this, Sir.

In time required to start a business, we ranked 115 in the world. We are talking about filling out a form and doing the necessary work. They were so busy using Calder Hart to build whatever they were supposed to—all non-productive expenditure. People ask what about the towers on Richmond Street and the Waterfront project and what-have-you. They are all non-productive. What has that produced for this country? Not one thing. Absolutely nothing and Calder Hart is still away and we cannot find him.

On the issue of the burden of customs procedures, when we want to export something, where do we rank globally in being able to conduct this simple business procedure? We ranked 120; way down the track. Mr. Speaker, it is obvious, when we talk about the public trust of politicians, given the performance of the last administration, that last subindex that speaks about public trust of politicians would have been directly affected and this we intend to change. If there is one thing we will see when that index is done next year is when they ask you about the public trust of politicians, you will see us moving way up the ranks.

Despite the technical limitations of that GCI, it has an international reputation and provides benchmarking tools for policymakers and business leaders to identify obstacles to improve competitiveness in the public and private sectors of the economy. It is also very important to bear in mind that this country’s performance in that Global Competitiveness Index is synonymous with the findings of other international surveys such as the World Bank’s ease of doing business surveys.

In the 2011 edition of the survey, Trinidad and Tobago, again, ranked 91st out of 183 countries. What have they been doing for the last eight years? What were they concentrating on? We are talking about governance. What were these people doing? We ranked 91st out of 183 countries and there are four broad areas that are in need of urgent attention that we are looking at. When we talk about
that, we are talking about building a national innovation framework and when we look at the World Bank survey, Trinidad and Tobago ranks second-to-last in this area. We rank 138 out of 139 countries when we talk about a national innovation framework.

Reducing the levels of crime and its impact on economic activity: When you speak to the businessmen in this country and you ask them what is one of the main areas of concern, they talk about crime. Trinidad and Tobago is ranked 131 out of 139 countries in this area with eight years of neglect and they want to come here and talk about six months. They had eight years to correct that situation. We rank 131 out of 139 countries when we talk about crime and its impact on economic activity, and he is talking about the economy being stalled and the People's Partnership creating this and that.

Overhauling government bureaucracy as in the various government agencies be it customs and the public service: Trinidad and Tobago is ranked 125 out of 139 countries in this area so it is obvious, when they were in office they did absolutely nothing to correct this. Yet they come here and talk about the People's Partnership and what the people on the street are saying; that men are going home hungry. They are making all these accusations about board appointments and suffering. The People's Partnership Government has been in office for six months. They had eight years to correct the ills of this country. They had $300 billion with which to do it and what did they do? They want to talk about house in south.

We are talking about all the overhauling of the Government's bureaucracy and he wants to know what the People's Partnership is doing. Here is one of the things that we are doing. In this regard, the Ministry of Trade and Industry is in the process of implementing the Single Electronic Window (SEW) for trade and business facilitation under the Ministry of Trade and Industry. It is aimed primarily at improving the country's international competitiveness by providing a single electronic platform at the front end with re-engineered business processes and clear service standards at the back end for 11 government departments to deliver their services online.

Mr. Speaker, the other side started a programme—somebody said it today—maybe 20 or 30 years ago to revamp the customs procedures. It has not happened as yet. What should happen in a year or 18 months, the other side takes 20 years, yet they talk about our being in office for six months; asking what we have been doing in six months and stating that we cannot achieve anything.

The People's Partnership is achieving every single day of life. In fact, the
Children’s Life Fund Bill was passed here at 3 o'clock this morning. They want to know what we are doing. Even with the money they had, not even the life of a child was important to them. They were busy building waterfront projects, smelter projects and killing the mangrove and building steel plants. They took the time off from governance of this country to organize two summits and they could not even make the decision to give a child $1 million to save its life. One big set of organization and “gambage” to organize two failed summits with one man signing an agreement for 40 people. He could have signed that and faxed everything to everybody and saved $1 billion. He could have faxed that agreement; it was not a problem.

Coming back to what the People's Partnership is doing and how serious we are about governance and creating the efficiencies and competitiveness in this country, the same Single Electronic Window will deliver a suite of eight e-services in the area of trade and business facilitation through 11 different government departments. We are talking about things like company registration. When we talk about how long it takes to register a company, it is 115 days right now to register one little company and you expect us to be competitive and business to thrive in this country? Six months is 180 days, yet just to register a company to create the business you want to create takes 115 days. You had eight years to do it.

Mr. Speaker, the issue of work permits, import and export licences, goods declarations and all the issues of importation: They sat there and looked at the country go down the tubes because they did not have to earn one cent to do it. All they had to do was to open the valves on the east coast. That was their source of income; they did not have to work for it. They just had to sit there and collect a cheque at the end of the month. That is why they did not worry about fixing and creating the efficiencies in the system. It was not necessary to do it.

Many of the above SEW services contain payment elements where customers and citizens are required to pay for services. Currently, payments are made in a manual manner involving a compulsory visit to a bank and/or government department. How many of us know about the cashier in a government department and when you go there you see a big sign: “Cashier Closed”, and you have to come back the next day. They are talking about efficiencies; something as simple as that.

Mr. Speaker, you can leave Piarco and travel around the world and come back and not visit one cashier. Everything is e-payment. You can go online and pay for everything, but they sit there for eight years and that is not important.
People’s time is not important. People are sitting in traffic jams for four hours; two in the morning and two in the evening; that meant nothing to the other side.

You take the time to leave your place of work to go by a cashier and you have to reach before 2 o’clock or they are closed; and you have to walk with exact money because they are not providing any change. All this nonsense has to go on.

3.15 p.m.

You are talking about productivity, efficiency and this enabling business environment? Eight years they sat there looking at the issue of the “cashier closed” sign and not wanting to fix it, but no, six months into the deal we are not doing anything.

The implementation of electronic payment solutions as part of the SEW process will, therefore, increase greatly the efficiency of the system, as the entire process for utilizing the SEW modules will be done online. The e-payment will allow everything to be done online. You could sit at home and use your Blackberry, like the Member for Diego Martin East, and make payments to the Government. Cabinet has recently agreed to a policy on technical approach to this issue, based on the recommendations from the hon. Minister of Trade and Industry, resulting from consultations with various stakeholders, which will enable citizens to access and pay for government services from the luxury of their homes and their businesses. No longer “cashier closed”.

The introduction of the SEW will realize the following benefits to Trinidad and Tobago: it will reduce the discretionary powers of the authorities, as business rules will be embedded in the software. It is not a case of “ah, go ease yuh up here”, or “we go thing yuh here,” or “we going tuh tax yuh higher here.” The fact of the matter is, this is it. This is the tax you have to pay. This is the duty “yuh have tuh pay”. There is no discretion. That is it. It is already in the system. You do not have to find a friend to help you again. That is all part of the so-called Trinidad culture. That would be gone when the SEW is introduced. It will reduce the data entry errors and duty calculation errors, as cheques will be built into the system. It will facilitate other services like electronic payments of duties and other fees, which will be interfaced with the local commercial banks.

The SEW will also allow the Government of Trinidad and Tobago to generate trade data and other business related reports, two weeks after the end of each month. Instead of us having to wait—and we are dealing with statistics from 2009, 2008 or 2007—within two weeks of the following month, you have the
data, so when you are planning again—Member for Diego Martin West, when “yuh planning yuh business and yuh want tuh make yuh” business more efficient—the data will be there. You are not guessing, like what we have to do now. You have to guess and try and figure out what is going on. That will be something of the past. The system will also be able to support business-to-business transactions such as applications for certificates of origin, which are processed by the private sector and which are vital for any trade facilitation platform.

The Government is acutely aware that the ability of the SEW to go live will depend on the ability of the necessary legislative framework to be in place locally to facilitate electronic transactions and electronic payments. In particular, four pieces of legislation are required to become law. “But we not doing anything, eh. The People’s Partnership eh doing anything?” The four pieces of legislation would be:

1. the Data Protection Bill, which will be spearheaded by the Office of the Prime Minister;
2. the Electronic Transaction Bill, spearheaded by the Ministry of Public Administration;
3. amendments to certain sections of the Customs Act; and
4. amendments to the Exchequer and Audit Act.

I am pleased to announce that because of the efforts of the Ministerial team, this Government will bring to this honourable House shortly, a package of legislation which will give this country’s legislative framework a quantum leap into recognizing and utilizing the electronic environment of the information and communication technology influenced world. Trinidad and Tobago will take off; very, very simple.

This old archaic 50-year-old system that we want to use to bring Trinidad into this visionary thing that the other side used to talk about—“How yuh going tuh do dat?” Their vision was to construct the Waterfront Project. Their vision was to put in a smelter plant to kill people. Our vision is to make it more efficient, create the space, the atmosphere and the enabling environment. That is what our vision is, and people would then do it on their own. We are very creative people. We have all the ideas. We can do it, but when you are dealing with 50-year-old systems, it is very, very difficult to make it happen.

As of November 23, 2010, the implementation of the SEW Project
remains over 75 per cent completed, and there is approval for all the various specifications and user-acceptance testing, et cetera, by staff from various government departments for six of the eight modules already completed. The Government of Trinidad and Tobago is fully committed, as announced by the hon. Minister of Finance during his budget presentation, to bringing the SEW live by the first quarter of 2011, but its commencement is contingent upon the passage of the various pieces of legislation.

When the Member for Diego Martin West was talking about the stagnation of the economy, things are flat and that the banks do not want to lend money, et cetera, again, when you speak to the business community, they tell you, you know up-front, where they see the problems. The issue of crime is a major problem and that is being dealt with. The issue of efficiency in government services is being dealt with.

The enabling environment—when we talk about research and development, in Singapore the Singaporean Government this year budgeted for $10 billion Singapore for five years for research and development. Trinidad and Tobago is minuscule. You cannot even recognize it, compared to that of the Singapore investment. Those are the areas, when we talk about building an enabling environment and getting business up and running and getting contractors paid. The Minister of Finance has made these statements many times. When we got into office in May, we had no idea what it was. Nobody knew. We are still trying to find what they did with the money. You have heard the question in the last administration: “Where de money gone?” We are still trying to find the money. There are issues that we are dealing with, on a day-to-day basis, to bring and realign how the Government operates, to ensure that every single cent that is spent by the People’s Partnership Government is accounted for, and is spent responsibly. That is one of the key areas that we looked at. All the misspending that went on over there; $300 billion in eight years, that is not what the People’s Partnership is about. We do not have $300 billion. That is item number one. What we have we will spend wisely. We will make sure that the benefits come down to every single one in this country. Therefore, it is going to take time to do the realignment.

The Member for Diego Martin West talks about everything is flat, dead and what have you. That is not so. This is PNM economics that he is describing over there. This is not PNM economics on this side. This is the People’s Partnership economics and we know how to fix it. We know how to correct the eight years of wrongs—$575 million on a feasibility study for whether or not we
should have a train or we should not have a train. If we had the $575 million right here, right now, we would be talking a different talk. We would have paid Clico and the poor Minister of Finance would not be strapped, the way he is, to find money to settle the Clico debt. That is what we are talking about. When you have that misspending and gross mismanagement of the taxpayers’ money—they are the ones to blame, not the People’s Partnership, only from May 24. I would not accept blame for that. I am very, very sorry.

As I conclude, because I do not talk for long, I prefer substance—I do not need to talk for one hour and 15 minutes—I want to emphasize that this Government, in as little as six months, has taken the vital steps to bring about the necessary legislation to improve the way business is conducted in Trinidad and Tobago, and that is exactly how we, the People’s Partnership, have envisioned the future of this nation. We will build confidence by laying the proper foundations in this economy.

Mr. Speaker, I thank you.

Mr. Colm Imbert (Diego Martin North/East): Thank you, Mr. Speaker. I would like to say that I admire the solo enthusiasm of the last speaker, but I cannot say that. I have been in this Parliament for a very long time—[Interruption]

Mr. Roberts: Too long.

Mr. C. Imbert: That is not what the people say—and I have heard many speeches similar to the speech just given to us by the Member for Chaguanas East. In fact, throughout the government of the NAR, between 1986 and 1991, the speech that I just heard, I think we can go back into Hansard, change a few dates, change a few names, recycle the speech and that would be the essence of the contribution today. That was a typical NAR speech. All of that rhetoric, it sounds good, but the NAR spent their five years blaming the PNM for every problem in Trinidad and Tobago and begging for more time.

The theme that I heard in the last contribution is that we need more time and that six months is not long enough to judge the PP. PP is an acronym, short for People’s Partnership.

One of the things that has become apparent to me in the last 25 years or so, looking at the NAR, the UNC, and even our own government, is that citizens of this country are no longer willing to listen to that kind of rhetoric. The Member for Tunapuna, I once heard him say something; it was a very honest statement, that you can spend five years planning and planning and the five years will pass
and you end up putting mechanisms in place. I am paraphrasing, Member for Tunapuna. If I get you wrong, you can correct me. We can spend five years talking and putting mechanisms in place, and then all of a sudden you realize the five years have finished and you have achieved nothing.

When I listened to the contribution of the last Member, it is such déjà vu. This is typical NAR speak that I am hearing. One of the most amazing things said by the last Member is that crime is a problem for investors in Trinidad and Tobago, true, and it is being dealt with. I wonder if the Member for Chaguanas East and his colleagues are living in Trinidad and Tobago, because there have been 26 murders in the last nine days under the leadership of the People’s Partnership Government. Let me repeat that, 26 murders in nine days. That must be some kind of record, but, according to the Government, crime is being dealt with.

That is how your Government is dealing with crime, 26 murders? Apparently there were four murders last night or yesterday. That is the contribution of the People’s Partnership to the problem of crime. We are now running at a rate of four murders per day. That is what I mean by that kind of rhetoric that was fashioned by the NAR, but it does not work. [ Interruption ] You could say what you want. There were four murders yesterday. Are you living in Trinidad and Tobago? Are you proud of yourself, that we are now at a state where there are four murders in one day? It is not once that happened. Just a couple days ago there were four murders in a day as well.

It is amazing. The Member for Chaguanas East has come into this Parliament on the basis of issues dealing with the crime rate and murder rate in Trinidad and Tobago, but he suddenly got very silent when it has become obvious that his Government cannot deal with crime and criminals in Trinidad and Tobago.

3.30 p.m.

Mr. Speaker, I would not spend much time with the Member for Chaguanas East, but he is a typical NAR stereotype. One of the things the NAR used to do is make comparisons to other countries, and the Member for Chaguanas East made a comparison to Barbados as a model that we should aspire to—we should aspire to Barbados because it has crept into developed country status. Barbados has the highest cost of living in the Western Hemisphere. That is a fact! When you go dollar for dollar, the cost of basic food items and other items in Barbados is three times Trinidad and Tobago’s.
If the Member for Chaguanas East was paying attention, he would have seen that just yesterday, the Minister of Finance in Barbados announced a dose of very bitter medicine. The Member for Tunapuna knows this. I am sure the Member keeps up-to-date with what his colleagues are doing. The new Minister of Finance in Barbados—they had a Cabinet reshuffle with a new Prime Minister and so on—announced bitter medicine to deal with their fiscal deficit. The fiscal deficit in Barbados is in excess of the equivalent of TT $2 billion, and that is with an economy that is one quarter the size of Trinidad and Tobago. They now have increased taxes; austerity measures but, you see, it is fashionable to talk about other countries and say that is what we must aspire to. So, we must aspire to the highest standard of living; the highest cost of living in the Western Hemisphere; increased taxes and a fiscal deficit of $2 billion. That is what we must aspire to. That is just the kind of rhetoric that is fashionable in this Parliament.

One of the problems with the last speaker is that the Minister of Trade and Industry did not address any of the fiscal measures in this Bill. This Bill has 26 clauses, and several of these clauses deal with manufacturing; several of these clauses are in aid of industry and they deal with incentives for the acquisition of plant and machinery, et cetera, and the Minister did not deal with one single clause in this Bill in any holistic manner. He told us nothing, except that all the problems in Trinidad and Tobago were caused by the PNM; every issue in Trinidad and Tobago is because of the PNM. Go ahead with that, and you are going to see how much patience the people of this country have with that kind of foolishness.

Mr. Speaker, he had nothing much to say. He spoke about the single electronic window as if it dropped out of the sky on May 24, 2010 when he knows that his predecessor is the one who conceptualized and initiated the Single Electronic Window. He knows that the arrangement with Singapore and everything to do with the Single Electronic Window was done by the former PNM Minister of Trade and Industry who preceded him. He knows that! He tells us that the Single Electronic Window is now 75 per cent ready, but he did not tell us that on May 23, 2010 it was 74 per cent. So, in six months, he has taken the readiness of the Single Electronic Window from 74 per cent to 75 per cent. These are what the facts are.

Let me deal now with the Minister of Finance. I do not have much time for the Minister of Trade and Industry, because that is the second time he has spoken and he comes into this House and his entire contribution is that it is the PNM’s fault for everything.
Mr. Speaker, let us deal with the Minister of Finance. The budget was predicated on a natural gas price. When you do the calculations—the Minister of Finance will correct me if I am wrong—the natural gas price, the Henry Hub price, to achieve the price that is in the budget it is somewhere in the region of US $5 or US $5.50. Am I correct? It is US $5.25. Right! The price that is in the budget is what is called a netback price. So in order to achieve the revenues that have been projected for fiscal 2011, it is necessary for natural gas to average in excess of US $5 per year. That is my understanding. You can correct me if I am wrong.

Mr. Speaker, for September, 2010, natural gas averaged $4 and below. That is the Henry Hub price. For October, 2010, natural gas was below $3.50 and for November, 2010, natural gas is averaging $4. Those are facts. You can check it if you wish, but those are the facts. So for the last three months, the average Henry Hub price has been less than $4 per mmbtu, but in order to achieve the revenue targets in the budget, we need in excess of $5, $5.20 or $5.25.

Now, it is also a known fact that for every 24 US cents that we do not achieve on a 12-month basis in the price of natural gas, this country loses $1 billion in revenues—for every dollar, we lose $4 billion in revenue. So, if we keep going the way we are going, there is going to be a revenue shortfall in terms of revenue from natural gas in excess of $4 billion. Now, this is fiscal 2011 that we are talking about.

Now, people have this saying that facts are stubborn things, they do not go away. I would like the Minister to tell us when he is winding up, what is the Government doing about the revenue shortfall from natural gas? What are you doing? I heard the Minister say that he is seeing light; a little blue sky. Where is this blue sky coming from?

The other thing is that the Governor of the Central Bank, about three weeks ago, announced that the growth figures are lower than projected. So there was a projection for growth in fiscal 2011, and because of declining revenues and other reasons, the Governor of the Central Bank has indicated that the economic growth in Trinidad and Tobago is not in line with expectations. So you do not have economic growth as you anticipated, and this means shortfalls in corporation tax; shortfalls in value added tax; and shortfalls in revenue from natural gas. So, how can the Minister see the light and blue sky? I would like the Minister to explain that to us. How can the Minister be seeing this?

The other thing that I was very disappointed in—as I said, there are 26
clauses in this Bill. Now it did not fall to the Member for Chaguanas East and the Minister of Trade and Industry to go through all the clauses. I would have expected the Minister of Finance to explain to us the effect, the purposes and the intent of the more important clauses in this Bill, and he chose not to do that. It is a matter of style. Some people give information; some people withhold information, and I have noticed that the Member for Tunapuna, in his current incarnation, he is not disposed to providing much information and explaining exactly what is his intent.

There are a whole series of clauses here that are, essentially, fiscal incentives, especially in the petroleum sector and there are also fiscal incentives in terms of stimulating the industry. The Minister, I think, has shortchanged this Parliament in terms of not explaining to us what is the intention of the measures in this legislation.

Mr. Speaker, the other problem I am having with the Minister's presentation is, he seems to live in a little world of his own, and I mean no disrespect. The Minister went on an international joyride. He went to Ireland, Greece and the Caribbean to tell us that all over the world economies are in trouble. He came up with a strange statement, no island is an island, but if an island is not an island then, what is it? An island is a body of land surrounded by waters, but he said no island is an island and he spoke about financial problems faced by countries around the world.

He spoke, in particular, about the problems on the US Stock Exchange which he attributed to the debt crisis in Ireland and, as I said, he lives in a little world of his own. The drop in the New York Stock Exchange yesterday has very little to do with the Irish debt crisis.

If the Minister was up-to-date with current world events, what he would have seen is that the stock market crashed yesterday because North Korea opened fire on South Korea and sent missiles into an island owned by South Korea. If you read the newspaper today, the American newspapers or go on any of the international news forums, you will see what investors are concerned about is the possibility that war might break out between North Korea and South Korea, causing an intervention; causing an alignment of powers and superpowers in the world, and that was the problem. It had nothing to do with the Irish debt crisis.

If the Minister was paying attention, he would know that today the stock exchange has rebounded, because of favourable economic data coming out of the United States where job losses are much less than anticipated; where consumer
confidence is rising; and where business indices are rising in the United States of America. The stock market has rebounded today. That is the American Stock Market. They are jittery.

If the Minister had used the drop in the stock exchange yesterday as an example that the world is in crisis, what would you attribute to the rebound in the American Stock Market today? They came out of crisis today; they were in crisis yesterday and today they are not in crisis.

Mr. Speaker, I would ask the Minister that when he comes to the Parliament, at least, do his homework and rather than give information that is not entirely accurate, give us a proper analysis of the situation in Trinidad and Tobago. For example, I would like to know, and I am sure that most of the country would like to know, what is our revenue position at this point in time? Has the revenue for the first three months or the first two and a half months of fiscal 2011 met expectations? Are our collections in line with our projections? What about expenditure? Has the expenditure been in line with our plans? From where I sit, I do not think so. As far as I am concerned, and as far as most of the people in this country are concerned, our revenue is not in keeping with expectations and expenditure is certainly not in line with the proposal of the Government.

If the Minister talks to businessmen in this country, they are not happy. In the retail trade, for example, I was talking to some businessmen, purely by accident—it was not a case where I was quizzing them—and they told me that in some of the retail trade, for example, in the supermarket trade, sales are down by as much as 20 per cent over the last three months.

So, you see, it is all very well for someone like the Member for Chaguanas East, who is really a newcomer and, as I said, a NAR stereotype, to come here and tell us that everybody is happy and everything is fine, but it is not so. The reality is and the consensus in Trinidad and Tobago is in line with the picture painted by the Member for Diego Martin West. That is the consensus. The consensus is the economy is stalled; the consensus is that business confidence is at an all time low; and it is incumbent on the Government to do things that will get rid of these perceptions that are outside there.

3.45 p.m.

Mr. Speaker, people believe that they are not earning money and they are seeing the bottom line; they are looking at the cash register. The Members of
Government could say what they want, but the businessman, when he is counting every day how much sales there were, he is seeing a significant decline in income. Persons who were employed last week are not employed this week. This is the reality in Trinidad and Tobago.

It is incumbent on the Government to dispel these perceptions, because if you do not dispel perceptions they will take root. It is not good for any of us in this country, for the general public, to have a perception that the economy is stalled, the Government is not spending money, the Government is not doing anything of significance; it is not awarding contracts, because there are no boards in place, work is not taking place, economic activity is on the decline. That is the public perception. All of you over there could say whatever you want, facts are facts.

Let me deal with particular issues raised by the Minister of Finance. He said that payment to contractors was a minor issue. I wonder if the contractors think so. The Government was meeting with contractors for months. There is a famous case of the Member for Chaguanas West allegedly meeting with a contractor up at the Diplomatic Centre, which got him into a spot of bother, a little trouble, with respect to the award of a contract. But the fact of the matter is that Government has been meeting with contractors for months. Contractors have been crying; they are saying that they have to lay off all their staff and their businesses cannot survive. The Minister of Finance comes and tells us that it is a minor issue. I hope it is true. That is what the Minister said. He said that it was a minor issue.

You spent $2.4 billion to deal with contractors' claims over the last four months, from what I am seeing here, June to October. I will be very happy if, in fact, what the Minister is telling us is true and, therefore, what we are hearing from the Contractors’ Association is just rhetoric. I would be glad if you are right and they are wrong, that, in other words, the contractors’ problem is being dealt with, they are getting their money and they can continue their business and employ people. I hope you are right.

Mr. Speaker, what else did he tell us? He told us Government is about to start addressing the question of VAT refunds. I am glad; I mean, for some considerable time now, I know that business people have been complaining that they are simply not getting their VAT refunds. [Interruption]

Mr. Dookeran: Years!

Mr. C. Imbert: I am talking about 2010. I am not going to argue; I will say that
this is a pre-existing problem; that is a fact.

Mr. Roberts: [Inaudible]

Mr. C. Imbert: I am not speaking to you; I am speaking to the Minister. I have no time for that loudmouth over there. But speaking to the Minister through you, Mr. Speaker, it was a pre-existing problem. I know there are many small to medium sized businesses that simply are being strangled because they are not getting VAT refunds. Hopefully this announcement by the Minister that he is going to start increasing VAT refunds by an extra $100 million a month is true, so, at least, people will get back money they are entitled to. You also told us that the Central Bank was going to inject more US dollars into the system in order to deal with demand. I hope that is true as well. I do know that the reserves are quite healthy.

In terms of public sector wage negotiations, the Minister said absolutely nothing. I guess he had nothing to say. So we will wait and see what occurs in terms of the public sector wage negotiations issue. What is clear is that there is a lot of inefficiency in Trinidad and Tobago, at this time, because public servants are disgruntled; they are taking all forms of industrial action. They are working to rule; they are “sicking out” they are taking a day off and it is causing a lot of trouble in this country. I urge the Government to settle this matter with public servants as quickly as possible and as amicably as possible.

You see, one of the problems with the Government is that they still think they are in Opposition. When you listen to them, you believe you are in Opposition; you are not. It is not the responsibility of people on this side to deal with public sector wage negotiations. It is your problem. You asked to be given the responsibility to handle these problems. You cannot come into Government now—[Interruption]

Mr. Dookeran: Would the hon. Member agree that the wage negotiations we are talking about were all due for the years 2008, 2009 and 2010, when you were in government and they should have been dealt with at that time?

Mr. C. Imbert: You know, Mr. Speaker, every incoming government has this issue to deal with. [Laughter]

Hon. Members: Aaaah!

Mr. C. Imbert: When the People's Partnership—[Crosstalk] [Interruption]

Mr. Speaker: Order, please!
Mr. C. Imbert: Mr. Speaker, could you quiet down that loudmouth over there.

Hon. Members: Aaaah!

Mr. Speaker: No, no.

Mr. C. Imbert: But he is a loudmouth.

Mr. Speaker: Withdraw that; you cannot describe a Member of Parliament as a loudmouth. But before you withdraw, may I ask the hon. Member to just allow the debate to go on very smoothly. It is the crosstalk that is causing the explosion, so kindly withdraw that expression about a loudmouth. We do not have loudmouth MPs.

Mr. C. Imbert: Mr. Speaker, I have no choice but to withdraw. I mean, it does not match my sense of reality, but I withdraw.

The fact of the matter is that every government coming into office finds itself having to grapple with wage negotiations, collective agreements that span administrations. I distinctly recall in 2002 when I was appointed Minister of Health, within one month of being appointed to that Ministry, a delegation of medical practitioners came to see me. I saw them and asked them what I could do for them and they said, “The last government was negotiating a collective agreement with us and it was not settled.” I said, “Okay, I am not familiar with this matter; I do not know what the issues are.” They said, “You have two weeks.” So I told the medical practitioners, “Look, I have just been appointed Minister of Health, to be able to address a problem like that in two weeks that had been ongoing for years, was unreasonable.” They said, “You have two weeks”, and as night follows day, when the two weeks were up they took industrial action. That was just one example.

The PNM government had to deal with the repercussions of the 10 per cent cut done by the the National Alliance for Reconstruction (NAR) government, of which the Member for Tunapuna was a very important element, as we were reminded by the member for Pointe-a-Pierre. He was the architect. We were reminded by the Member for Pointe-a-Pierre that the Member for Tunapuna was a very important figure, a key figure in the NAR government of 1986—1991 that cut public servants’ salaries by 10 per cent, took away COLA, stopped increments, et cetera. These liabilities kept building up and building up and building up. It went up into hundreds of millions of dollars and it fell to a PNM government to deal with that matter. We had to deal with that.

So to come here and cry crocodile tears, after going to the population and
telling them you had all the answers, you understood everything, you would wave your various magic wands and solve every problem in this country, and now when reality hits and you now realize you are no longer in Opposition, you now have to run the country, you say, “Doh blame us, blame de PNM.” I can assure you that the people of this country will blame you if you do not settle public sector wage negotiations quickly and amicably. They will blame you. They most certainly will not blame the PNM government.

The last issue; the Minister appears to be tired that I keep raising this issue, but I have to. He seems upset; he seems annoyed that I keep dealing with this issue.

**Mr. Dookeran:** No, I just said that it was the same question, same answer.

**Mr. C. Imbert:** Well, I will tell you something different today. Issue No. 5 which the Minister described as a thorny issue is the Clico matter. I will put into the record some of the things he said. “It is not as easy as some made it out to be.” “You have to look at the international scenario”, and that was how he brought in the Irish debt crisis and he spoke about Greece and all that sort of thing. Then he took us on a journey, telling us that the problem with Clico was that there was a wrong diagnosis, there was laxity in regulatory oversight and so on and so on and so on.

At the end of that speech, which we have heard before, the Minister of Finance essentially told us that he was not adjusting the approach announced in the budget, in any significant manner. That was what he told us. He came here on September 08 and said that his solution and the Government’s solution to the Clico crisis was that persons who had annuities in excess of $75,000 would get $75,000, as a first payment, and the balance over 20 years at zero per cent interest. There was a howl of outrage and uproar all over the country. The Prime Minister then came on October 03 and said that she understood the issues and as a consequence, because this was a Government that listened, they had decided to set up this ministerial committee.

The end result of the ministerial committee is that the Minister of Finance has, more or less, dismissed the work done by that committee and indicated, “Yeah, they listened, but the solutions that were proposed were not viable.” After September, October, November—more than two months, we are right back to square one, with some little modifications; a little tweaking that if you were about to die, that if you were at death's door, you could apply to some special window. We do not know what kind of window, whether it is a plate glass window or it has
a wooden frame. We do not know the details of this window, but if you are about to die you could go and apply to this window to get up to $250,000. Anybody with more than that, “Well, dem to ketch”. Therefore, we are right back to square one.

But there has been so much misinformation coming from the Government on this matter over the last two months that I think it is now important that this Parliament is apprised of the true facts.

On October 08, and this is confirmed in a press release dated October 27—[Interruption] Mr. Speaker, the Member for D'Abadie/O’Meara is speaking too loudly and I can hear him. Could you speak to the loudly speaking Member for D'Abadie/O’Meara, please?

**Mr. Speaker:** Hon. Member, I want to give the full protection to the Member for Diego Martin North/East, so I seek your cooperation in that regard.

**Dr. Gopeesingh:** Imagine you begging for protection now; I never thought I would see the day.

**Mr. C. Imbert:** On October 27, 2010, the Central Bank issued a press release which stated as follows:

“In response to a directive issued by the Minister of Finance…”—the Member for Tunapuna—“pursuant to his powers under section 44(f)…”—[Interruption]

**Mr. Speaker:** Hon. Member, please.

**Mr. C. Imbert:** Mr. Speaker, what is going on?

**Mr. Speaker:** Hon. Members, please.

**Mr. C. Imbert:** It is not Members, it is him. Mr. Speaker, please, come on.

**Mr. Speaker:** Hon. Member, please, please.

4.00 p.m.

**Mr. C. Imbert:** Mr. Speaker, if I did not know better and if I did not know you better, I would think there was some sort of favouritism involved in the manner in which the Member for D’Abadie/O’Meara is—if I did not know you better.

**Mr. Speaker:** Please, you are getting very close to an area that you know you should never go. Do not challenge me and do not reflect on my person. You know that is wrong.

Hon. Member for D’Abadie/O’Meara, I would like you to allow the
Member to make his contribution. However, I want to warn you before you rise, do not get the Speaker involved and do not make any reference to his ruling. Please!

Mr. C. Imbert: Certainly, Mr. Speaker. As I said, I know you quite well. On October 27th the Central Bank issued a press release which stated in response to a directive issued by the Minister of Finance, pursuant to his powers under section 44 of the Central Bank Act, the bank directed Clico to put into effect a moratorium in respect of EFPA payments in the context of the Government pay-out offer. So, Central Bank has now confirmed what we heard, that on September 08th the Minister of Finance instructed the Central Bank to instruct Clico to stop paying interest on annuities at Colonial Life.

Now, Mr. Speaker, I am firmly of the view that the Government has been badly advised in this matter. I do not know who is advising the Minister of Finance, but there is a large body of opinion that the Minister simply does not have the power to do that. You see, Mr. Speaker, when we amended the Act in this Parliament last year, we gave the Minister the power to give the Central Bank general or specific directions. In fact, section 44(d) says, “The bank may be given general or specific directions by the Minister and the bank shall comply.”

However, like any Minister, a Minister cannot give an unlawful instruction, and essentially what the Minister has done is instructed Clico to breach its contract with the policyholders, because all of these annuities are contracts. The policyholders gave their money to Colonial Life and in return Colonial Life gave them a certain return on the money by way of a written contract. So what the Minister has done is instructed the bank to instruct Clico to breach its contract with the policyholders. That is simply not allowed. That is my information, that when a Minister is giving general or specific directions, when a Minister is giving these directions, he can only do so lawfully. That is what judicial review is all about. That is why you have judicial review, so that the court can determine whether a public authority, like the Minister, has exercised his powers reasonably and lawfully. I do not believe that the Minister of Finance has the power to instruct the Central Bank to direct Clico to breach its contracts with the policyholders.

The other problem that is out there in the public domain—and the Minister is partly responsible for this—is the false view that the executive premium annuity is not a policy. That is a false view. What the Minister has been doing from day one is trying to create classes of insurance. When you listen to the
Minister, Mr. Speaker, the Minister's plan for Clico is to separate the traditional life insurance policies from the annuities, hive off the traditional life insurance business, put it in a separate place or separate company and then use a different strategy to deal with annuities.

What the Minister is in effect doing, you are guaranteeing 100 per cent of the cash value of the traditional life insurance policies when you do that. When you separate the policies and you say, “All right we are going to treat life insurance policies as a special class and we are going to separate it out and we are going to guarantee those policies—”, you are guaranteeing 100 per cent of the cash value of those policies. Then you say, “You see these annuities, these annuities are not really policies, and therefore we can treat them differently and we can treat them in a manner where the policyholders are now not going to receive 100 per cent of the cash value of their annuities”.

Mr. Speaker, one does not have to be a senior counsel to be aware that that is just discrimination. That is all that is, that is just discrimination! You cannot take one set of insurance policies and say you will give them 100 per cent and another set of insurance policies and say, “nah, you see them, because of the amount of money involved”—because that is basically what the Minister is saying. The Minister is saying, the traditional life insurance policies have liabilities of about $6 billion, if my memory serves me correctly. In the vicinity of $6 billion! So we will take out $6 billion in assets, we will match them with the $6 billion in liabilities with the traditional life insurance policies and then you see this other set of liabilities here, well “crapaud smoke their pipe”. That is what the Minister has done!

I am telling you, Minister, through you, Mr. Speaker, you cannot do that! You could think you could do it, but you cannot. One of the other problems that the Minister, and the Government, has failed to recognize is that when persons take out policies, whether it is an annuity, whether it is a life insurance policy, and the policy goes through the regulatory process—because all of these policies were approved, even by you. I saw a letter dated 1999 where these executive annuities were approved, when the Member for Tunapuna was the Governor of the Central Bank. Those are facts! So there have been a series of approvals over the last 15 years or so, for these executive premium annuities.

So when an annuity policy goes through all the regulatory procedures and is approved by the regulator, and you take money from these persons, these policyholders and you put it in the Statutory Fund, what you are in effect doing is creating a trust relationship. That is a big mistake that Government’s spokesmen
are making. The money that is received from the policyholders is held in trust in the Statutory Fund, and there is a lot of debate about the assets not matching the liabilities. However, if Clico was liquidated, Mr. Minister, if Clico were to be liquidated, the creditors would not rank equally or pari passu, as the lawyers say. They would not! The policyholders would rank first.

If the policyholders, for example, were to file a lawsuit to recover these assets, they would get the first proceeds of the liquidation out of the assets. All the policyholders have to do is to file a lawsuit. It is a very simple trust action. These are trust moneys. Trust moneys rank ahead of ordinary loan funds and ordinary debts, so if you have a whole series of creditors—because if I go into the records, what I would see with respect to Colonial Life, about $11 billion is owed to these policyholders—when you look at assets and liabilities—and then the rest of it is owed to other creditors.

Mr. Dookeran: Is the Member for Diego Martin North/East implying that he would have preferred a liquidation option to the option that we had proposed?

Mr. C. Imbert: No, I am not saying that at all. What I am saying is that you are forcing policyholders—not all of them, you only need 10, that is what the Insurance Act says, 10 policyholders. How many do they have? Twenty-eight thousand. They just need 10 policyholders to approach the court with respect to this matter. You are forcing them to do that.

The end result of that would be that the $16 billion or $17 billion—because there is a lot of argument about the assets that belong to Colonial Life. A lot of argument! The Minister said it is $16 billion, Credit Suisse says it is $20 billion. I am not going to argue. Let us assume the assets are $17 billion for argument sake, if you take out the traditional life insurance policies, that leaves $7 billion and the annuities are equivalent to $12. So there is almost a match between the value of the annuities and the value of the assets of Colonial Life that would be available to the policyholders in liquidation. So what I am telling the Government is that by your actions, by reneging on the promise given by the previous government—

Mr. Speaker: Hon. Members, the speaking time of the hon. Member has expired.

Motion made, That the hon. Member's speaking time be extended by 30 minutes. [Ms. M. Mc Donald]

Question put and agreed to.

Mr. C. Imbert: I thank hon. Members for extending my time. Mr. Speaker, the
point that has to be understood by this Government, by reneging on a promise given by your predecessor administration—you see a promise was given by a sovereign government, and the new Government has reneged on this promise. Your Prime Minister held out hope to—

Mr. Roberts: Mr. Speaker, 43(2), tedious and repetitive, Mr. Speaker.

Mr. Speaker: I believe that he is responding to some of the issues raised by the hon. Minister of Finance. Continue!

Mr. C. Imbert: You see, Mr. Speaker, by holding out hope to these policyholders, by hoodwinking them into believing that the committee established under the chairmanship of the Minister of Food Production, Land and Marine Affairs, would, in fact, improve the offer, what the Government—they call themselves the People's Partnership—has in fact done is made it very, very easy for policyholders to get relief from the courts.

You have laid the stage for an expedited court matter. You have laid the stage for the liquidation of Colonial Life, and what the Government has done, is ensured that the other creditors of Colonial Life would get nothing. You just do not seem to understand what you are doing, because from the time the policyholders put Clico into liquidation, they will get back all of their money. Every cent! What would happen is that the money that the Government invested in Colonial Life would be lost. That is the effect of what you are doing.

I heard the Prime Minister come inside here and talk about $7 billion being invested in the CL Financial Group, and where the money gone, and all that sort of thing. That hyperbole! However, the $7 billion invested by the Government into the CL Financial Group will be lost. The money owed to trade creditors and other creditors who are not policyholders, will be lost and what will happen is that the persons who hold these annuities, they will get back their money. What that is going to do, Mr. Speaker, when Clico is liquidated, because that is what I am seeing, unless the Government comes to its senses, unless somebody talks sense to the Minister of Finance—and the policyholders have a first call on the assets, because that is what is going to happen, it is a very, very simple case.

I am sure the Member for Oropouche East can explain to you—he is a new lawyer—that trust funds rank above everything else or a trust claim ranks above everything else. So when the policyholders get back their money, the Government cannot get back its $7 billion; Republic Bank has been sold, Methanol Holdings has been sold, whether at a discount price or a fire sale as the case may be,
because it is going to be a court order liquidation. Then you have a situation where you have a domino effect where all the creditors of Colonial Life who are not policyholders will lose all of their money, what would be the effect on this economy? What would be the effect on this economy?

I know the Minister knows, you know. I know that persons from First Citizens Bank have told the Minister of Finance that a significant number of these annuities were pledged as collateral for loans from the state-owned First Citizens Bank. I know that he knows that if his plan is implemented and persons get this 50 cents on the $1 which is what they will get—not this 90 cents that he is talking about—and all of those loans at First Citizens Bank will then go into arrears, they will be in default because the collateral that was used to secure those loans would no longer exist, then you are going to have a problem with First Citizens Bank. You will have a run on First Citizens Bank.

4.15 p.m.

So you know, Mr. Speaker, the scenario painted by persons opposite is so far from the truth, it is not funny. The way the Government has gone about dealing with this matter, they have gone about this matter in the belief that the policyholders have no option. That, you could see, is a wrong and strong approach. The Government obviously believes that the policyholders have no option and that if a disgruntled group of policyholders decides to go to court, the matter will be tied up there for a very long time and nobody will get anything and, as a result people will be afraid.

Well, I am telling the Government today, you have pushed people to the limit. This statement made by the Minister of Finance today is an official statement of Government policy, because the Minister has come to this House today and confirmed that the Clico plan is now official Government policy: $75,000 and the balance over 20 years. You have confirmed that. So all you have done now is created all the ingredients for the liquidation of Clico by policyholders, a run on a series of commercial banks and financial institutions in this country and all sorts of economic problems that will occur when this liquidation takes place.

So that I will ask the Government, when you get the lawsuit—because it is coming—when you get it and you see it, I would ask those wiser heads on that side that when the lawsuit is filed and the liquidation of Clico is imminent, that Members opposite who have some sense, would reflect on what adverse effects this mess will have on the economy and will talk some sense into the head of the
Minister of Finance and they will retreat from their position and they will improve their offer to the policyholders so we do not have this problem in this country.

One of the things I notice with this Government is that they came into office promising the sun, the moon and the stars.

Dr. Moonilal: You promised Sunway. [Laughter]

Mr. C. Imbert: All this Government has done since it came into office is punish people. That is all you have done. You came into office saying you are humanitarian; you care, and all this Government has done when coming into office is to punish people. [Desk thumping] You want to punish the Clico policyholders; you are punishing URP workers; [Desk thumping] you are punishing contract employees in the Government system; you are punishing public servants. [Desk thumping] There are so many people who voted for this Government who are now disgusted that they wasted their vote in that way. [Desk thumping] All of you on that side, stay there in your little ivory tower, because your version of reality is not the same as the mass of the population in Trinidad and Tobago.

Thank you, Mr. Speaker. [Desk thumping]

The Minister of Education (Hon. Dr. Tim Gopeesingh): Mr. Speaker, after having listened to the Member for Diego Martin West and the Member for Diego Martin North-East, it is important to respond to them in the context of the debate today on the Finance (No. 2) Bill which seeks to put legislative measures supporting the budget statement that was done a few months ago.

First, I want to deal with the comments and statements of the Member for Diego Martin West. The first thing he said was that—I just want to get the notes related to what he indicated. The first thing he mentioned was that: How do we see ourselves as a government on the issues? He indicated that the motor car has no brakes; the driver is suspect; the driver has no licence, and then he went on to say that the passengers are not coming on board.

I want to let the Member for Diego Martin West know that 450,000-plus spoke very loudly in May to tell that administration that they had become fed up of the driver driving dangerously and carrying that car almost to the edge of a precipice. It was the same driver that mashed up the car and caused the brakes to go and the driver obviously had lost his licence, and 450,000 people had told him in May that there was no time for him to continue to drive that car. [Desk thumping] Four hundred and fifty thousand new passengers came on board in that
new vehicle that we took over from the last administration.

There were two points that he basically spoke about: the lack of confidence which he seemed to make for the entire debate and the question of the economy. On the lack of confidence, I want to quote from the findings of a MORI Poll which the PNM had been commissioning for years to tell them how they were performing, and spent millions of dollars on the MORI Poll. I want to quote from this poll of August 2010 since we took over. It is the same MORI Poll that had been doing the opinion polls for the PNM.

The first thing that I want to speak about in the MORI Poll: the first question is:

“Government's performance after one month in office.”

This was dated August 11, 2010 by Sir Robert Worcester and Mark Gill.

“Government's performance: Are you satisfied or dissatisfied with the way the Government is running the country?”

Mr. Speaker, 52 per cent was dissatisfied with the last government and we have had a 43 per cent swing from since that time to August. In fact, the swing was close to 86 per cent from their negative of 52 to a positive of what we had. So it was, in fact, an 86 per cent swing of how the people thought that we were running the country and the governance of Trinidad and Tobago.

So when the Member for Diego Martin West says that the people have no confidence, the MORI Poll, just in one month, told them that almost 86 per cent of the people were telling us as a Government, that they had strong confidence in us.

The next point, the same MORI Poll:

“Government performance from focus groups.”

Focus groups are people—they get into groups. Do you know what they were saying?

“Most agreed the new Government has taken positive steps to move the country forward.”

Next point:

“The new Government is seen to be doing a better job at listening to, and engaging with the people than the old administration.
Promises from the 120-day manifesto participants feel they have been successfully implemented.”

This is not MORI saying this alone; this is the focus groups of the people. So when the Member for Diego Martin West spends his entire 75 minutes speaking about the lack of confidence in the population, the same PNM MORI Poll which they used to rely on, now tells the people of this country and the people of this country tell this Government that they have confidence in what the People's Partnership Government is doing.

Do you know what are some typical comments by the people on the Government’s performance?

“They have just started but they are moving in the right direction.
In terms with efforts they are trying to make changes. The changes won't come now, but they are trying.
They are trying to get out there and hear the views of the public.
I noticed the Ministers walking in the field. Kamla is driving through areas and Jack Warner is taking the bus, getting down to the grassroots level.
I think the present Government is more in touch with the people.”

My point is made about the question of confidence which the Opposition Leader tried to make, and here is their own poll telling them that the people of Trinidad and Tobago have tremendous confidence in the People’s Partnership Government.

[Desk thumping]

He went on to speak about the economy. I want to sincerely congratulate my distinguished colleague and Minister of Finance of our People's Partnership Government. He showed to the country and to the people of Trinidad and Tobago his true ability as an economist and as a Minister of Finance. [Desk thumping] He was able to show the macroeconomic fundamentals governing the country and also to show the fiscal stability that as Minister of Finance, he is providing to this country. He was able to go in the international scenario to show the link to what can possibly happen to Trinidad and Tobago if we are not careful of the way we spend our money. This is why he made the linkages to these countries of Greece, Ireland and Spain, et cetera.

The Member for Diego Martin West said that the Minister of Finance was speaking about Band Aid given to developed countries, in these developed countries and the same Band Aid he is trying to apply to Trinidad and Tobago.
When we came into office, we met a wounded Treasury; we met a Treasury that was empty, a Treasury that billions of dollars had been pilfered from; billions of dollars had been stolen from and billions of dollars that had been wasted. We quantified that close to $30 billion to $40 billion of the $300 billion that they had in revenue over the eight to nine years, were corruptly spent, stolen from the Treasury and taken by them and the PNM supporters; their administration and the PNM supporters.

Mr. Imbert: Mr. Speaker, Standing Order 36(5)—

Hon. Dr. T. Gopeesingh: Mr. Speaker, I withdraw that point. I withdraw the point about the—

Mr. Imbert: The Member indicated that he withdraws? You withdraw?

Hon. Dr. T. Gopeesingh: I withdraw what I said about the administration, but about $30 billion to $40 billion has been stolen and pilfered from the Treasury, my point is clear on that.

He spoke about the Minister of Finance had been through the 1986 situation where they had to cut COLA and salaries. We have to ask the PNM administration, when they keep making this point about what happened in 1986 and 1991 and people's salaries cut and COLA cut, which government had a boom in the 1970s and 1980s—billions of dollars flowing through the economy and then all of a sudden there was a bust in the economy that the successive governments had to take in hand and deal with their over expenditure and their maladministration and the bad performance; overspending and corrupt ways of the 1970s and early 1980s? It is the same boom and bust that we are experiencing. They had billions for them between 2001 and 2010. Billions of dollars passed through their hands, and now we, as a government, have to come and clean up the mess that they made over the nine years that they had this $300 billion. The same boom and bust that existed in the 1970s and early 1980s and a previous administration had to clear it up in 1986 to 1991, the same boom between 2001 and 2010, we have to clear up the mess that they have made during those years.

We are doing it. We accept that it is taking some time but we know we cannot continue the way that you all were going and just overspending, when you were overheating the economy and the Central Bank Governor had to tell them that they were overheating the economy and this is why the core inflation rate went up to more than 15 per cent. They must remember that. The inflation rate now is about 7 per cent. It is because the Minister of Finance and this People’s
Partnership Government are running this country very prudently in terms of the financial sector. *[Desk thumping]*

We were confronted with massive debts and I have been here speaking about the debt situation. The Member for Diego Martin West spoke about local and foreign debt. The local and foreign debt has climbed.

**Mr. Speaker:** Hon. Members, this is a good time for us to suspend. This sitting is now suspended until 5.00 p.m.

**4.30 p.m.: Sitting suspended.**

**5.00 p.m.: Sitting resumed.**

**Hon. Dr. T. Gopeesingh:** Thank you, Mr. Speaker. Before we took the tea break, I was on the point of the country's debt. Responding to the Member for Diego Martin West when he said that the PNM's economics has stood the test of time, just before that, I wanted to confirm that the boom and bust situation of the 1970s and 1980s was a PNM administration that failed the country, and the boom and bust of 2001—2010 is the same PNM again, which has failed the country. So when he speaks about PNM's economics, that is PNM's economics for you.

Mr. Speaker, the country's debt situation brought on by the PNM administration has been very disastrous. When you analyze the Auditor General’s Report of 2008/2009, it exemplifies the fact that if this country had gone the path of the PNM for any length of time again, there would have been a state of no return because they would have taken the country into that abyss of total despair and economic disaster. The total local and foreign debts were equivalent to close to $25 billion; the guarantees were equivalent to $19 billion—guarantees for state enterprises and special purpose companies—and the letters of comfort were close to $18 billion. So they were close to $62 billion in debt caused by this PNM administration, from the maladministration and the widespread corruption, lack of transparency and accountability, in all these state enterprises and special purpose companies. When the Minister of Finance indicated the debt to GDP ratio was close to 50 per cent and that this country was almost in a state of total disaster, economically, it showed where they were taking this country because last year they borrowed another $7 billion, in addition to all that I spoke about before.

Mr. Speaker, when the Member of Diego Martin West began to make the point about borrowing from local and borrowing foreign and whether we should borrow from the foreign agencies or banks, he said that the Minister of Finance likes to go to IADB, the World Bank, and so on, and should consider borrowing
locally. It was the same PNM government that borrowed money externally. Petrotrin borrowed from external agencies at an interest rate close to 9 per cent in one tranche, and close to 7 per cent in the second tranche. The Member for Point Fortin would tell you that Petrotrin is mortgaged to the tune of almost $18 billion up to 2021 because the PNM had gone externally and borrowed for the gas to liquids plant and a number of other plants at 9 per cent and 7 per cent, and here it is the Member for Diego Martin West is making the point that we should borrow locally.

Nothing is wrong with borrowing locally, but he said borrowing externally is disastrous when we have to look at the debt service ratio. What did they do? They went and borrowed close to—we have to pay approximately $18 billion for Petrotrin, up to 2021. We have to now do the external debt service foreign currency for Petrotrin to that amount of money. So is this the PNM's economics that he is speaking about? When our Minister of Finance talked about turning the economy around, this is what we mean. If we were going in that direction that they were taking us, it would have been disastrous and this is the reason why 450,000 people or more saw that, decided to change them and install us, the People's Partnership, as the new Government.

He also mentioned that the economy is grinding to a halt and spoke about the contractors not being paid, et cetera. Mr. Speaker, we would like to ask those on the Opposition side who were in government: When did the economy start grinding to a halt? When did they stop paying contractors? During the last few months of their administration, contractors were not paid and they began to complain. They also stopped the housing projects. There were no constructions within the housing sector [Desk thumping] and, therefore, the economy was at a halt at that time. What about the lack of exploration in the oil and gas sector that also came to a halt? Within the last few months, the Minister of Energy and Energy Affairs decided to put mechanisms in place, a new taxation policy that will encourage entrepreneurship and some activities in the energy sector in terms of drilling for oil and gas. So when they talk about the economic situation in Trinidad grinding to a halt, we are not grinding the economy to a halt. The economy is moving. The Minister of Finance is taking the economy forward, but they are the ones who—probably over a year before we went into an election—did it.

I want to speak about the question where it was mentioned that we have not appointed boards; that we took too long to appoint boards, therefore, the economy is at a halt and a standstill because we do not have the boards to do the
work. Mr. Speaker, the People's Partnership Government is very careful and
deliberate about the way that we do things. We study situations properly. The
Prime Minister is a great thinker, with tremendous experience over the years. She
has seen mistakes being made by other governments and decided that she will not
make the same mistakes. [Desk thumping] The Prime Minister and the People's
Partnership Government decided that we will have no executive chairmen, as
Calder Hart, Ken Julien, Uthara Rao, et cetera. We had decided that we will not
have any executive chairmen, so we took a while to determine who will head
these boards. We decided that we were not going to duplicate chairmen. No one
person would be able to hold more than one position in any of the government's
boards, whether we have 50 or 60 government boards. [Desk thumping]
Therefore, it will prevent a duplication of chairmen in positions in more than one
board and will prevent the situation of having interlocking directorates which
gives rise to confusion and corruption. So the Prime Minister was very studious in
her approach towards the appointment of boards.

The Prime Minister also decided that the People's Partnership Government
will have a mix of stakeholders on these boards. People of different socio-
economic backgrounds were given positions on these boards; ordinary people
going about their work in their day-to-day life will also have a say in the running
of this country. It was the People's Partnership's decision to include the ordinary
man on some of these boards which we have appointed. So this is a part of the
People's Partnership process of inclusiveness. We did not try to have only the
aristocratic approach because we do not have that approach—[Interruption]

Hon. Member: Or the Calder Hart.

Hon. Dr. T. Gopeesingh:—or the Calder Hart approach, or the interlocking
directorates where there is massive corruption and confusion. We have decided
that no executive chairman will be elected on more than one board. We will have
a process of inclusiveness and will ensure that there is deeper screening, and
matching competence and ability for the position that we need. So we did not rush
into these things simply because we wanted to ensure that when we put people in
positions, they will continue with sound economic practices and ensure
transparency and accountability in all these processes.

Mr. Speaker, talking about board appointments, the Member for Diego
Martin West made mention that we have appointed a NIPDEC board. They had
appointed a NIB board, a NIPDEC board and what did they do? For years, the
NIB board had close to $18 billion in assets of national insurance money. If NIB
was run properly—and even a simple return of investment of 6 per cent on $18
billion, that will give you close to $1.08 billion. Added to the contributions of citizens who have worked very hard, we would have had close to $3 billion. There should have been no difficulty in paying the citizens of this country their national insurance benefits. We should not have had to go into the Consolidated Fund to take money to deal with national insurance benefits. The investment of NIB plus the contributions would have been able to take care of that and this is what we are searching for in this administration. The Minister of Finance spoke about the pension reform which will be a reform of NIB in that context.

For the nine years that they were in power, what did they do about pension reform? What did they do about ensuring that companies—there are "40-something" companies in Trinidad and Tobago which do not have proper pension schemes for their workers? The Member for Pointe-a-Pierre, a former trade union leader, will tell you that some of these "40-something" organizations do not have proper pension funds for themselves. What will happen to the workers who have given their lives, ensuring that they have something when they retire? They have been doing that.

The Minister of Finance indicated that he is in the process of ensuring that there is swift pension reform, and will be looking at the National Insurance Board at what is supposed to be happening there. My colleagues are now reminding me, who was chairman of NIB, who was chairman of Trinidad and Tobago Mortgage Finance and who was chairman of UDeCott. It was one person, Calder Hart. When we are speaking about the interlocking directorates, the confusion and corruption, that is where it emanated. So we do not want that, and this is why we are very deliberate, purposeful and studied in our approach towards governance.

Mr. Speaker, he also mentioned that Trinidad and Tobago is awash with money and the banks have a lot of money. The banks have a lot of money because people are saving—which is an important aspect—but think of one of the reasons why Trinidad's economy had to do with particular relation to Clico. Clico ended up with a deficit close to $18 billion as has been mentioned by the Minister of Finance and confirmed on the other side. If that administration had been ensuring that the Supervisor of Insurance Companies and the Central Bank were working assiduously to ensure that the statutory reserves requirements of Clico—which they knew was not proper—if they had done things to ensure the statutory reserves were in place and ensured that Clico complied with the law and the Act, we would not have been in the situation today.

5.15 p.m.
In addition to that, if the Supervisor for Credit Unions was working properly—and that administration was responsible for the proper governance of those issues—if that administration had taken the time to ensure that the supervisor for these credit unions was working well with HCU, it would not have been in that position.

So when they want to blame us saying that we were in government for six months, they were in government for nine years and they caused the problems with Clico. They are directly responsible for the situation with Clico and HCU because they did not do the work they were mandated to do in terms of proper governance.

They went on to speak about unemployment rising from 5.7 to 6.8 per cent. When the former Prime Minister and Member for San Fernando East spoke about zero unemployment—5.7, but it is considered full employment—we had always said that there was not full employment because the part-time workers in CEPEP, URP and these makeshift programmes were not considered full employment citizens. They are not fully employed.

I compliment the Member for Pointe-a-Pierre. He was in his car travelling when he was interviewed by one of the TV stations. I am very proud to be a Member of a Cabinet with my colleague the Member for Pointe-a-Pierre. I am proud of how he handled the situation in Trinidad, particularly when he was asked about the unemployment situation.

Again, he made mention of the fact. So when they boasted that they had full employment, that was not full employment; it bordered close to 11 or 12 per cent because of the makeshift employment. They are now trying to say that the unemployment rate has gone up. It is not that it has gone up; they are now beginning to see that their programmes were not stable and we now have to make sure that the programmes undergo some degree of stabilization and bring some dignity to the people in those programmes.

This Bill has 18 clauses dealing with pensions. It has the Judges Salaries and Pension Act being amended, the Prison Service Act, the Retiring Allowances (Diplomatic Service) Act, the Pensions Act, the Widows’ and Orphans’ Pensions Act, the Municipal Corporations (Pensions) Act, the Fire Service Act, the Teachers’ Pensions Act, Assisted Secondary School Teachers’ Pensions Act, and so on.

Mr. Speaker, these Acts allowed retired public servants to receive a maximum, in some cases, of $1,650 and, in other cases, a maximum of $1,950.
What a shame that a government, which had nearly $300 billion under its watch for nine years, allowed thousands of public servants, who had dedicated their entire lives to the public sector, 30 to 35 years, to retire without being able to make ends meet because they have a meagre pension of $1,600 which the cost of living has eroded completely.

Was it fair for that last government to sit by and allow these people to suffer where poverty was at 17 per cent? Of 1.3 billion people, over 200,000 people in this country could not live because their income was less than US $2, less than TT $12 per day. There were another 230,000 persons who were considered working poor, receiving less than $3,000 per month in wages and salaries. They talk about their sound economic policies when there were close to 700,000 people suffering, the poor and the working poor.

In addition, there were the 25,000-plus public servants who spent their lives giving to this country and receiving a meagre $1,600 in pension. It was the People's Partnership Government that recognized the plight of our public servants and in one of our election pledges we said that we were going to raise the pensions for our public servants to $3,000 and this is what we did.

So these 16 clauses in this Bill ensure that the pension of the public servants would move from, in some situations, $1,600 per month or $1,950 to $3,000. I feel very proud to be a Member of this People's Partnership Government which feels the pain of your public servants who have been made to suffer for all these long years, seeing the widespread corruption and mismanagement of almost $300 billion on this side while they were suffering.

This is why we said we were going to do it and we did. The judges, the people who have the highest authority in this country, for years have been beseeching that side to increase their pensions. There were judges who were literally suffering for want of medicine and health care. There were people who represented the former members of the Judiciary asking the government to raise their pensions. The Prime Minister at that time, the Member for San Fernando East, turned a blind eye to it and did absolutely nothing to raise the salaries of these people who gave to this country at one of the highest levels.

Some of their Members died asking for more help from the State and there is still one or two who are relatively ill and asking for support and we are now giving them beyond $3,000. It is our wish and desire to improve this beyond what we are giving now, but we are constrained by the economy. I am sure that once the economy gets moving, our Prime Minister and the People's Partnership
Government will move expeditiously to improve what we are giving them.

I congratulate the Minister of the People and Social Development, who has been doing a tremendous job in assisting the people with difficulties who need assistance, which they have not received for years. I congratulate him for continuing the tremendous work on behalf of the People's Partnership Government in making sure that the people continue to do well.

The Member attacked the housing policy in the Finance Bill by asking why we made it retroactive from 2009. Mr. Speaker, the middle income group of people was suffering. A husband and wife could be working and they could not buy or build a house, they were considered the working poor; and professionals, two in a family, could not afford to buy or build a house.

We found a way to encourage them by giving them a tax incentive of $18,000, a tax allowance in the year of construction and the Leader of the Opposition has difficulty with that and is asking why it is retroactive. He should be glorious in support of the people who try to build a house for themselves and who need financial support and tax incentive support. Give them the opportunity, encourage them to get their own home instead of decrying what the People's Partnership Government is doing in terms of giving incentives to allow these people who are the “working poor” to build their homes and seek some benefits in terms of the tax incentive.

They also spoke about the labour market and the labour unions. As the Minister of Finance asked a while ago, what we have inherited and what we have to deal with now is as a result of the previous administration not dealing with satisfying the requirements of the trade union movement. They brought it to the situation it is today. There are operatives of the PNM within that system who are encouraging the thing, but the Prime Minister works and works with a team. She does not shy away from any responsibility. She decided to speak with the trade union movement and yesterday between 2.00 p.m. and, I believe, up to 4.00 p.m., she must have been engaged in discussions with the trade union movement. I understand that the meeting was very satisfying and very encouraging.

In addition, the Prime Minister met with the business community yesterday and indicated a number of areas where they have had a number of incentives given by the People's Partnership Government. If I can find it in what the Minister of Finance indicated, I would reiterate some of the incentives so that the Opposition would not continue to say that we are not doing anything for the business community.
Mr. Speaker, there were incentives in terms of the tax regime and the tax system. The manufacturing sector was given a 25 per cent wear-and-tear allowance and a 90 per cent depreciation allowance. It was in the process of increasing new investment and creating friendly investment in the shipbuilding and recycling sectors. There were a number of incentives given to them so that the private sector could flourish and their investment programmes could grow.

We gave incentives, as I mentioned, to the homeownership, to the Employees Share Ownership Partnership Programme (ESOP), where employees now begin to feel part of an organization because they own it and therefore give increased productivity. They feel motivated to work hard because they are part of what they are working for.

We were looking at changing the distribution of income and wealth. We improved incentives for research capabilities within these manufacturing industries and measures to promote development poles by putting free zones. As the Member for Chaguanas East mentioned, a number of people have now been occupied in the free zone industry.

You will remember that it was the last administration—I think it was Sen. Dr. Lenny Saith—which had begun to speak about the single electronic window. That was introduced in 2007. It went to a joint select committee and they had three years to do something about it but did nothing. It is still languishing before a joint select committee. That is the type of governance of the last administration. I am sure under the Minister of Trade and Industry we will ensure that this is brought to fruition.

5.30 p.m.

Mr. Speaker, the ASYCUDA system for the Customs and Excise, I think Minister Griffith, the Minister of Tourism, when he was in the Chair as Speaker of the House, would remember that from since those days, the PNM were talking about the ASYCUDA system to make it effective. Nothing in comparison to what Singapore has at the moment, but they have been talking about it ad infinitum, ad nauseam, and they were always promising, promising and they could never get it going.

Two of the areas where they could improve the sector and create a diversification of the economy from the oil and gas sector, to move it outside, they have failed this country over the number of years; and it will be the People’s Partnership Government that will continue to work hard and rescue this country
from that, Mr. Speaker.

I want to deal a bit with Mr. Imbert, Member for Diego Martin North/East, where he said that we are like the government of the NAR, begging for more time and more time. Mr. Speaker, we do not need to overemphasize in the short period of six months what we have done. The people of this country know what we have done.

We said that we will introduce the life fund. We have ensured the legislation. We said that we will bring in the procurement legislation within the first 30 days. We laid the Procurement Bill in Parliament and it is now before a Special Select Committee of Parliament. We said we will bring the laptop to students for every first-form student throughout the country. We are in the process of completing that exercise so that all first-form students will get the laptop.

They on that side began to make all sorts of noise that these things are unsafe and they are creating security problems for the children, and for the parents; and if the laptops are stolen, what will happen to them and so on. Mr. Speaker, the People's Partnership Government is proud to say that we made the promise that if a laptop is stolen it will be recovered because we have joined with Computrace to ensure that there is security of the laptops.

I am happy and proud to say as Minister of Education, together with my parliamentary colleagues in the inter-ministerial team that overlooked the entire laptop situation, providing 23,000 laptops for the children, we are proud that the first laptop that was stolen has been recovered by the Computrace, Mr. Speaker. [Desk thumping] So when he said that the people, the citizens, are no longer willing to listen to that type of rhetoric, Mr. Speaker, I think he is unfounded.

Mr. Speaker: Hon. Members, the speaking time the Member for Caroni East and Minister of Education has expired.

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

Question put and agreed to.

Hon. Dr. T. Gopeesingh: Thank you very much, Mr. Speaker, and thank you very much, colleagues. His point about crime, and he tried to make an issue about so many crimes committed in so many days, it is not one day that will make a country be in a situation where crime is committed with such rapidity and being so often. They had been in Government for a number of years, and if they had put into place the policies and programmes that would have been a deterrent, or in
terms of prevention, early detection and the ability to apprehend and then prosecute, we would not be in the position that we have inherited just within our six months.

Their method of detection has been abysmal. For years they knew that the police service was almost 1,900 police officers short. They did nothing about it. The training of the police service was in a dilapidated building down in St. James. They did nothing about it. In fact, for two years they did not have any police officers coming from the training school. Their scientific approach towards detection of criminals was never put into place. So many things that they could have done; even the programme—what do you call the programme where there is the safekeeping, when the criminals—

Dr. Ramadharsingh: Witness protection.

Hon. Dr. T. Gopeesingh: The witness protection programme; there was a proper witness protection programme that was there before they came into Government in 2001. It went into disrepute. It collapsed. So, they do not have any moral authority to come to this House to begin to make innuendos about a People’s Partnership Government causing an increase in crime and so on.

We showed recently that crime was falling, and the Commissioner of Police showed convincingly that it was falling by about 15 per cent. It takes time. Crime is not committed just because somebody gets up and decides to commit. There are certain crimes like that; but it is because you have brought the population into that state. Mr. Speaker, there are a number of aetiologic factors and a number of factors responsible for crime. I am not telling them that they created these factors, but they allowed these situations to continue for a long while without doing anything about them.

One of the things that I say all the time is that for 30 years under the PNM’s administration they prevented more than 7,000 to 10,000 children from getting a place in secondary schools, because they did not have a proper education system. Over a 30-year period, more than 200,000 to 300,000 people were left out of a secondary school education. People lost self-esteem. They lost their ability to feel that they were wanted in society, and it is from there the crime emanates, Mr. Speaker.

When somebody has “lost the deep”, thinking of themselves as being someone who is not appreciated by society, and they have a sense of loss to themselves and to the community, they go on to do anything; therefore, we now
have to repair that situation as it exists and do work to prevent that situation from occurring in the future. We have lost generations, and we can no longer continue to lose generations so that the crime situation will continue to escalate.

The Minister of National Security, and his colleague in the Ministry of National Security, will continue to give this country a number of the areas where they are continuously working and assiduously working to ensure that the crime situation is reduced significantly.

Mr. Speaker, the last issue that I want to deal with from the hon. Member for Diego Martin North/East is the question of the Clico issue. As the Minister of Finance indicated, on two occasions he came with matters on the adjournment on the Clico issue, and on the same two occasions the Minister of Finance indicated to him what the situation was. Subsequent to Cabinet appointing the committee to listen to the voice of the people, what they were saying, the Minister of Finance has taken the findings into consideration and has changed the approach on the Clico issue. If they were not listening, I feel very sad for them.

The question is, there have been significant changes, Mr. Speaker, changes in that those who, in the first five-year period, could go and redeem their bonds, he has made arrangements with the banks so that the banks can give some degree of guarantee that these people will get approximately 90 per cent on their bonds. That is a very significant movement forward, Mr. Speaker, and he is working assiduously to ensure that a proper percentage is also realized for if someone wants to cash in their other 15 years in bonds.

We know that the Minister of Finance, supported by his People’s Partnership Cabinet and Government, continues to work hard to ensure that we bring comfort to the lives of the people who were affected. He has indicated that he has brought comfort to the lives of the 225,000 policyholders who would have been worried about their moneys that they have paid in terms of their life policy; and he has ensured that the statutory requirements are fine and they are in place, so that these people are guaranteed that their pensions and their life insurances are taken care of with that.

In addition, he has indicated that there is a window for people who have difficulty in terms of getting money for their medicals, and for taking care of themselves on a day-to-day basis, there is a compassionate aspect of it which he has assured the population the People’s Partnership Government will assure them that we will guarantee that that is happening.

In addition, all those people who are with credit unions are now also
guaranteed, to a significant extent, the interactions by the Minister of Finance and his Ministry with those credit unions, so that those people who are credit union participants will not be at any loss, or to be at any detriment. Therefore, Mr. Speaker, in a situation where that regime left this country where Clico—they could have prevented Clico from having to be in that situation.

As I mentioned earlier, if they had done their work in ensuring that the Central Bank’s supervisory capacity and capability was in place to ensure that the Clico statutory requirements were taken on board and dealt with; and also, the Hindu Credit Union, the Supervisor of Credit Unions—$19 billion—we would not have been in the situation now where we have to try to ensure that we keep the economy going; we keep the financial situation stable, the fiscal situation stable; work with the Central Bank to keep the monetary situation stable, we would not have been in the situation we are faced with because of their inefficiency and incompetence.

Mr. Speaker, in closing, that administration, and this present Opposition, has no moral authority whatsoever to say that the people of Trinidad and Tobago have no confidence in this People’s Partnership Government. As I showed in the MORI Poll, Mr. Speaker, at the beginning, 86 per cent of the people in this country say that they have the confidence.

As far as the economic stability of this country is concerned, the Minister of Finance has given a very sound position from a macroeconomic standpoint and from a fiscal standpoint to show where the country stands at the moment. We are not going to be borrowing as they have borrowed; and when they talk about us borrowing from the IDB, Mr. Speaker, it is because of the trust and the confidence that the bank has in this People’s Partnership Government that, within a short period of time of discussion between the Minister of Finance and the bank, they can determine that they will lend the Government, for a five-year period, close to US $1.5 billion, and with only a one and a half per cent interest rate, with a moratorium for five years, and 20 years to repay it.

In contrast to what they did, when they went, and Petrotrin went, and borrowed—and we are now owing $18 billion when they borrowed at a rate of nearly 9 per cent in one tranche, and 7 per cent on another tranche, Mr. Speaker. We have to pay it back up to 2021. Mr. Speaker, that is just one of the areas.

5.45 p.m.

When I speak about this— I have spoken ad nauseam on these special purpose
companies. And one that I feel very sick when I have to think about it, is the Waterfront Project. When Members on that side were here they said, you know, the Waterfront Project is one of their hallmarks of proper construction. And they said that it was costing $1.8 billion and they were within limit. You know what it is costing our children and grandchildren of this country for another 17 years? To pay close to $250 million for those 17 years—$125 million every half year; close to $4.4 billion we have to pay for that Waterfront Project. Then there is a stadium; one billion. Then there is NAPA, which both South and North were supposed to cost US $100 million as confirmed by the Minister—the Prime Minister at that time and the Member for San Fernando East. When we raised the issue that NAPA, Port of Spain alone, North, was costing close to $1 billion, he tried to indicate that both were costing US $100 million, which is TT $600 million. The one in North alone, that Napa, which my colleague, the Minister of Arts and Multiculturalism has to inherit; $1.2 billion in cost. The one in South is close to $800 million.

Mr. Speaker, forgive me, but when you were in the other place, you spoke about it as well, and you gave them the figures. And you know that what we are saying here is the truth. EMBD spent $1.2 billion and the chairman ran. UTT spent more than $15 to $20 billion and their chairman ran. T&TEC Street Lighting Programme spent more than $700 million, and their chairman ran. Mr. Speaker, eTecK, my colleague from the Ministry of Trade and Industry now has to inherit eTecK; $1 billion for the Tamana Park Construction by the czar of the energy sector who became the czar of eTecK and UTT. We paid $650 million to repair Hilton. We could have bought two or three hotels with that money, Mr. Speaker. We spent $350 million for Vanguard Holdings in Tobago—for the Hilton Hotel in Tobago. Mr. Speaker, is that fair to the people of Trinidad and Tobago? We have to speak about it. We must speak about it, because when we brought this Finance Bill—the Minister of Finance brought this Finance Bill to show what he has had to do, and what the People’s Partnership Government has had to do to ensure that the macroeconomic and fiscal stability of this country is maintained; it is because of their corruption, their mismanagement, their over-expenditure, Mr. Speaker, that have given rise to the Minister of Finance having to now take this, work with it and try to bring some stability back. And they want to criticize us—in six months’ time, Mr. Speaker.

Mr. Speaker, if I can find the quote from Dr. Rowley, Member for Diego Martin West—I cannot find it at this moment. But I want to indicate that it is a People’s Partnership Government that the people have confidence in and the
People’s Partnership Government will move purposefully towards ensuring the safety of the economy, the security of the economic situation in Trinidad and Tobago and to make sure that every citizen of Trinidad and Tobago will benefit from the work of the People’s Partnership Government. Thank you very much, Mr. Speaker. [Desk thumping]

Miss Marlene McDonald (Port of Spain South): Thank you, Mr. Speaker. Mr. Speaker, I recall back in 1986.

Hon. Dr. Gopeesingh: Where were you?

Miss M. McDonald: Not 1962; 1986. That is when the PNM had lost the election, 33-3. And I recall that for five years I sat and I listened to the criticisms by the NAR of the PNM—five years. And they had forgotten that they were the government. They had forgotten that the people had voted them in to govern the country. There would be a time when you just have to understand we need to stop this bashing, and let us govern this country. Show the people. That is what you were voted in for.

And you are not going to stop me from speaking this evening, you know; you are not. We are going to use the Standing Orders this afternoon. So, Mr. Speaker, I am saying from the outset, I am going to be using the Standing Orders this afternoon. Because there is a certain trend, that whenever the Opposition Members are speaking it is noise and distractions, and shouting across the room. And, Mr. Speaker, I have been here for three years—not long—but I have not seen this type of behaviour in this House. I have not seen that type of behaviour.

Hon. Member: That is a taste of your own medicine. That is what you used to do.

Miss M. McDonald: But I am saying that you will soon run out of that argument. That argument will come to an end, where it is, “We are just here for six months.” Then it will be, “We are just here for one year. We are just here for two years. We are just here for three years.” How long do you think that we can continue like this? How long? Just address the issues; address the issues; that is all.

I think the Leader of the Opposition had already said that mistakes were made. I think he had said that. You know, as I sit here this afternoon, I am sick; over and over and over. But I just want to tell the Member for Caroni East, and I can pass it to you, the Sunday Guardian October 31, 2010—not 1962— and the Chief Executive Officer of the Trinidad and Tobago Chamber of Commerce, Mrs. Catherine Kumar, noted that the delay in board appointments contributed to their lack of business. Certainly, the chamber has seen the stagnation in the economy.”
And she went on to explain. I do not want to waste my time. I could always let you take a look at it. And the headline was “Economy Stagnant”. And I think this is Dr. Dhanayshar Mahabir. He is an economist. There is a lot in it. But, you know, when he did this, people said—you know what was the response of some people? That he is a PNM—that Dr. Dhanayshar Mahabir is a PNM. Do you know why? He spoke the truth.

Mr. Speaker, I listened to the Member for Chaguanas East, and he said, “We have all the ideas. We could fix and correct the wrong—eight years of wrongs”. I am happy to hear that, because there are certain things that I will be talking about this afternoon. One in particular that touches my constituency and other constituencies in the depressed areas—and perhaps Chaguanas East could help us fix it.

Also, the Member for Caroni East mentioned unemployment and the fact that the PNM had said they had full employment, somewhere between 5 and 6 per cent, and what he claimed is that when we said that, the jobs available were those jobs in URP, et cetera, and that the UNC-led coalition will now bring a certain amount of dignity—I was writing—bring dignity to the people in these programmes. I will tell you what, Member for Caroni East, and I am the MP for Port of Spain South, and in the eastern portion of my constituency—it is a very depressed area. And I could tell you that right now your Government has swamped the whole of Nelson Street, George Street, Duncan Street, and if I go a little more east Basilon Street, Bath Street with at least 46 new URP gangs—ghost gangs inside of there. I am not asking you. People come; they talk to me. Check Laventille East; check Laventille West; check the eastern portion of Port of Spain; north. So when you say you are going to bring dignity to the people, this is what you are doing to the people in the depressed areas. And what I am saying, Member for Caroni East, you have to be very careful when you say you are going to bring dignity. Look at what your Government is doing. Every Wednesday when I go to my constituency I hear these cries.

Mr. Speaker, as I go along, I want to address other issues in this debate. But I would just ask the Member for Caroni East it is time that he begin to address the current issues and not the past issues.

Mr. Speaker, the Bill before us, the Finance Bill 2010, seeks primarily to amend certain existing pieces of legislation to give effect to some of the proposals or provisions in the Budget 2010/2011. And some of these provisions cover the minimum pension of certain public officers, of which the whole question of pension and pension reform is something that I will address this evening, Mr.
Speaker.

Increases in fines for littering; clarification of terms and other matters relating to Senior Citizens Pension; allowance for a tax credit on CNG kits and cylinders; adjustment to the VAT system as it relates to vehicles; increase in certain limits re the Central Tenders Board, from $1 million to $2 million award in contracts; the increase in the wear and tear allowance in respect of expenditure and alternative energy equipment; extension of the first-time homeowner tax credit; provisions for the tax amnesty; adjustments for the incentives re the supplemental petroleum tax regime, and an increase in tax allowance with respect to the fashion industry, et cetera.

Mr. Speaker, most of the provisions of this Bill are routine in nature, and I have no problem with them. However, Mr. Speaker, I am particularly concerned and troubled about two particular areas touched upon by the Bill, and they are the areas of pension and pension reform, and the realignment and transformation of the economy.

Mr. Speaker, no one will argue with an increase in the minimum pension for certain public officers, and in line with the Senior Citizens Grant. And, of course, as the Member for Caroni East said in almost half the amendments, judges salaries and pensions, the Prison Service Act, the Retiring Allowances (Diplomatic Service) Act, the Pensions Act, the Widows’ and Orphans Pensions Act the Municipal Corporations (Pensions) Act, the Fire Service Act, the Teachers’ Pensions Act as well as the Assisted Secondary School Teachers’ Pensions Act. All of them had been increased from $1,950 to $3,000.

Now, Mr. Speaker, I want to say that I am quite happy for those retired public officers, because last year the Finance Act, 2009 if you had looked at it, in my research, it was increased; all these categories were increased from $1,650 to $1,950. Now, Mr. Speaker, I cannot help stating that this increase was brought about by the increase in the Senior Citizens’ Grant of $3,000 and it certainly would have been a shame if you allowed a category of persons who had not contributed to PAYE, NIS, Health Surcharge, and they were—at age 65 they were now entitled to a pension of $3,000, when there is a category of persons outside there who had contributed for over 30 years—many people worked for 25, 30, over 30 years and upon retirement some of them would be taking home less than the $3,000. And so I think that there needed to be some sort of parity, and I believe that the domino effect brought about by the Senior Citizens’ Grant of $3,000 has resulted in this increased expenditure for the Government. Now this is
going to cost the Government $280 million.

Now, Mr. Speaker, there still remains an anomaly in the system, and I am looking now at the NIS pensioners. Mr. Speaker, there exists a category of persons—and I think some of them could be from the private sector as well as the public sector, they are only in receipt of the NIS pension of $2,000—the maximum of $2,000, and Mr. Speaker, if these people apply for a Senior Citizens Grant, then they are told—and I know because some of them came to me—when they applied for the Senior Citizens Grant thinking that they were going to get a sum of $3,000, instead they were told that they are only entitled to $1,000. In other words, at no point in time could they cross the $3,000 cap.

6.00 p.m.

They have contributed for years, working in this country. I think that anomaly, the Minister—he is gone—could have a look at that. But, this measure of an increase of $3,000 has been done in a very piecemeal approach. In the last debate I spoke about it when we dealt with the Petrotrin Pension Bill. It is very piecemeal and does not help the vast majority of current and future retirees in this country.

By its own admission, the Government in its budget presentation recognizes that retirees are coming under increased pressure to finance their day-to-day living expenses. In the face of it, $3,000 is very small. However, the question I want to ask this evening is: what is the Government going to do with respect to the inflation rate? How are you managing a rate which stands right now at 13.2 per cent? You have given this increase to $3,000, but you also have inflation at 13.2 per cent. You give on one hand and you take back, because what will happen is that the inflation is going to erode the purchasing power of what you are actually receiving. They are not in a better off position. We are debating and we are basically saying that these are some of the ideas and recommendations you can take look at, because the inflation rate is really eroding the purchasing power of the retirees in this country.

This is an approach that we have noted on this side; the Government’s policy of attempting to drive down the interest rates to all-time low levels. This is quite a failure. It has failed to simulate domestic credit demand. This is what I think the Member for Caroni East was referring to. He said banks have a lot of money, because people are saving, but he said it in a very nonchalant way: “Well, yes, people are saving and that is a good thing.” Saving is good, but, at the same time, what moves the economy is that interaction of demand and supply. When
people demand, when you spend—goods and services, it is good on the supply side, because the producers on that side will be able to produce stuff in order for us to buy. That keeps the economy going.

If you read the article in the Sunday newspaper basically, that is what people like DOMA and the other organizations are saying; they are not seeing people coming out and buying, because of the lack of confidence in the system. People are very timid in what they are doing. Christmas is coming. This is the time when these same people, Member for Caroni East, from the depressed areas, go down to Charlotte Street and Queen Street and purchase cloth, curtains and cushion covers. They are involved in consumer buying every year and that keeps the economy moving. We have to be a little careful how we describe them and how we look at them.

We are saying that right now there is approximately $3.3 billion in excess liquidity in our banking system. Yesterday, I was told that one of the banks in this country has stopped taking deposits. I do not know how true it is. I was told and I am just repeating. Do you know why? It is because there is so much saving and nobody borrowing. The banks, basically, make their money by lending. That is how they make their funds. If people are not borrowing, I could understand the situation where they would not accept deposits, because that is a liability. They will be paying out interest, as small as it might be, and not getting interest in the form of loans/borrowings. It is not just a simple thing, Member for Caroni East, to say that people are saving. People are saving because they have lost confidence in the system and they are playing a wait and see game right now.

I will know, because I am from the east Port of Spain area. I associate with them. I was born there. I understand them and I hear on the ground “t’ings eh nice. Oh God, ah cyah eat ah food.” That is what they tell you. That is the language of the street. I am in there. I am in Sea Lots. I was born and raised just a stone’s throw from here. Go straight up Prince Street into Rose Hill and across and you will find Moseley Place. That is where I was born and raised and I have not lost my moorings. It is not as simple, Member for Caroni East. We need to simulate this economy. We just need to do things, put a stimulus package in place, rather than sit every week and bash the PNM. You will not gain anything by doing that. People outside would begin to get tired of it; tired of the rhetoric.

Mr. Speaker, I have read in the budget about pension reform. The Minister will certainly, when he is wrapping up, tell us a little more. I heard he just made a passing statement about pension harmonization. As I have said, that is one of my
pet areas and I would really like to see something happening, because the Government is assuming more and more pension responsibility in this country. Just in this budget alone, as we can see from this Finance (No. 2) Bill, by increasing the various categories from $1,950 to $3,000 is costing $280 million. I have stood here, as I have said, in the Petrotrin Pensions Bill, and said in 2008 that the Government spent $1.8 billion in pension. In 2009, it was $2.2 billion and $2.4 billion in 2010. Minister of Finance, this is a charge on the Consolidated Fund. One of the recommendations made then and I would say again this afternoon is that, perhaps, what we can do is—I do not know—probably bring it as a budgetary item and put it someplace where we can earn some interest. Or, as I said at that time, let us look at a contributory pension system, because I do think that the Government could continue. I see the Member for Pointe-a-Pierre is smiling—just assuming the responsibilities of all these pensions. When I read the Finance Act, it hit home, and we need to look at it. That is one of the recommendations, Sir.

**Mr. Warner:** But you are improving.

**Miss M. McDonald:** Thank you, Member for Chaguanas West. This brings me to the National Insurance Board and Government’s stated intent to revamp the pension system. In order to make my point I wish to quote from the budget presentation:

“The Government…will examine the feasibility of moving towards a retirement system involving:

A mandatory Employment-based System. These systems would be entirely funded by employers and employees. It would be similar to the current National Insurance Board pension, but with a distinction that the self-employed will…be included.”

The Government needs to tell this country what this means in your wrapping up, Sir. What does this mean? I have some questions. Will this system replace the national insurance pension? When will this happen? What will become of all of our national insurance contributions? Can citizens rely on the National Insurance Board for a retirement pension in the future? How high must NIS contributions rise in order to secure your pension? Minister of Finance, the country needs to know the answers to some of these questions.

Since the Government is proceeding in a reckless manner to destroy Clico, they owe it to this country to explain how the National Insurance Board, Minister of Finance, would refer the total of US $99,652,121 that is being held in Clico
Investment Bank as at June 30, 2009. We need to know what is happening with all that money. That works out to be something like $627,280,000. This is NIB funds being held at Clico Investment Bank. Let us know what is happening to that, Sir. [Interruption]

Mr. Speaker, I ask for your protection.

Mr. Speaker: You have my protection.

Miss M. McDonald: My second area of concern is Government’s stated plans to realign and transform the economy. There are several measures in the Bill before us today which speak to trying to transform this economy. Under the former administration, we were bashed and criticized, because the other side, at the time, felt that there was too much dependence on the energy sector as a key driver for economic activity.

6.15 p.m.

Now, the only difference here is that you all are pursuing the same policies. When the Minister of Energy and Energy Affairs stands to make her contribution, I would like her to answer some of these questions. You all are pursuing further expansion of the petrochemical sector. The only difference is that you are going offshore and drilling deeper and deeper in search of dwindling energy resources, at a time when commodity prices are depressed; at a time when production has been trending downwards; and your proven probable reserves are questionable. I would like to get answers when the Minister is making her contribution.

Mr. Roberts: I thank the Member for giving way. Is it your position that because oil production is dwindling and our reserves are questionable, that the Government should not seek to find new reserves?

Miss M. Mc Donald: No, I did not say that, Sir. I said that was the line we were taking. At least, we had identified seven sectors for transformation. I never said that we should not go that way. What I am saying is that the former Opposition had criticized the PNM for relying too heavily on the energy sector, and I am saying that is basically what you are doing now. I am not saying that you should stop it. I never said that.

Mr. Speaker, I want to turn my attention to an issue involving the whole geographical area of Laventille and other depressed areas. Under the last administration, we had undertaken the community centres construction and refurbishment programme. This is one of the strategies or interventions made by
the then government in order to nurture a caring society.

You would recall that there were five pillars of development under the last administration, and nurturing a caring society was one. Under nurturing a caring society, it was the opinion or the policy of the then government that the citizens, the residents, should have access to recreational facilities in their own community. We went out there and looked at community centre construction in all of our constituencies. [Interruption] Mr. Speaker, the Opposition got quite a few. I have said that several times in this House.

**Hon. Member:** How much did Mayaro get? Do you remember?

**Miss M. Mc Donald:** Mayaro got three. I opened three community centres, and Siparia also got three new community centres. I opened all three of them. Chaguanas West was on the actual list to come. I raise this issue within a particular context. The PNM administration actually had this policy that well-educated and well-developed citizens could only redound to the good of this country. We felt that opening community centres where people were able to come in and socialize with each other—also through the Ministry of Community Development, a host of programmes were to be placed in these centres where residents would be able to access these programmes in the comfort of their own community. We looked at places like Mayaro where it is a fishing community and, therefore, there was this particular course called Fishnet Repairs, and in each community there would be various programmes attached. It was not done just by the Minister of Community Development saying what was needed, but it was done in consultation with the people in the community.

Mr. Speaker, having said that, last year there was a committee set up by the then Prime Minister to look at initiatives in Laventille. There was a feeling that so much crime was going on in Laventille that it needed some kind of intervention. A committee met comprising Members for Laventille East/Morvant, Laventille/West; Port of Spain South and Port of Spain North/St Ann's West, and we went out into the communities and met with our constituents. What came back was that there was a need to get homework centres and community centres where we can get the youth off the street and put them in an environment of learning.

I recall in 2007, in my own constituency, when I was campaigning, I went to Picton, which is at the back of the water tanks. There is this group called the Picton Folk Performing Group. They are well-known in the Best Village world. They were practising outside on a concrete platform, and they were able
to attract so many youth to practise and socialize. They were beating drums; they were playing pan; they were dancing; and they were singing. I sat and I looked at them. It was sad, because they did not have a place to call home.

Mr. Speaker, when we sat with the Laventille Initiative Committee, we got a piece of land and we started the first dance theatre in East Port of Spain; the Picton Dance Theatre. It has started, the foundation is there and everything has stopped.

I go now to Basilion Street. There is a little centre there, and the Ministry of Community Development got the authorization to build a recreational facility to house the first swimming pool in East Port of Spain. The thinking here was to try and get our youth off the streets and use them, use their talents. You could never tell how many professionals you might have walking around in that eastern portion of Port of Spain.

On Piccadilly Street, on the HDC compound, what is called Mango Rose, if you pass there—well, I do not know if you will be able to see it from outside, because there is a lot of galvanize and it is fenced—there is another homework centre going up in that area.

Similarly, in Laventille East/Morvant, the Morvant Community Centre, which is the first community centre built in Trinidad; Misir Community Centre in Malick; Shende Street Community Centre; in Laventille West, the Pelican Extension Community Centre; Prizgar Lands Community Centre; Chinapoo Community Centre; Beetham Community Centre, Soogren Trace Community Centre; and in Diego Martin West, the Bagatelle Community Centre, the Fishing Centre and, of course, you have the Fishing Centre in Carenage. What we are saying here is, if it is we are looking at putting down all these centres to give the youth an avenue to get involved in productive activities—when you go to some of these homes in Laventille and Sea Lots and so on, some of these homes are not conducive to studying. You need to take these children and put them in an area. Some people cannot afford computers and Internet and so on to do research, so this is the value of having community centres spread across the whole geographical area. You all said that PNM is not doing anything, but this is what we were actually doing to save those children, and bring them into an environment of learning and get them away from a life of crime.

Mr. Speaker, the Member for Diego Martin North/East quoted a figure of 26 murders in nine days, and that is true. Up to this morning, in the constituency of the Member for Laventille West, in Block 22, two persons were killed. I can
tell you that the gang war has started again across this whole geographical area called Laventille. I am saying this afternoon that we need some answers from the Minister of Finance as to what is the state of all these community centres. They are on the books. In some instances, they have started. This was a tool we were actually using to bring the youth off the streets. This brings me now to, what is the Government's crime plan?

Since you all have been in Government—you have been touting six months—what is the crime plan? What have you shown this country? [Desk thumping] Where is it? We have important pieces of legislation like the anti-gang legislation. I prepared for it; nothing! The Bail (Amtd.) Bill, I prepared for it; nothing! The Evidence (Amtd.) Bill and the Summary Courts Bill, nothing! You need these pieces of legislation in order to support the crime plan.

There is a new Commissioner of Police from Canada working for over $100,000. What was his response to all these crimes; 26 murders in nine days? I hope it is an aberration.

Dr. Browne: He is disturbed.

Miss M. Mc Donald: I am disturbed. Even if the Government did not prepare a plan for crime in this country, what is the plan of the Commissioner of Police? [Interruption] I do not know. I am asking questions. I am in Opposition. You have to provide me with the answers. [Desk thumping] You are there and I am here. You have to provide me with all those answers, Member for D’Abadie/O’Meara. The point I am making is how important the homework centres and the community centres are to the people of Laventille.

We were trying to get our people away from dependence on URP programmes by retraining them, Member for Lopinot/Bon Air West. [Desk thumping] That is what we were doing. That is what we were doing when all the MPs met with our people and with our party groups. That is exactly what we were doing. We were trying to change the mindset of these people; the younger ones and their parents.

Mr. Speaker, I am saying that I just want a simple answer as to what is going to happen with the Dance Theatre. What is going to happen to the first swimming pool in East Port of Spain? What is going to happen to the community centre in Mango Rose and Sea Lots West? What is happening to the Fishing Centre in Carenage? What is going to happen to the Bagatelle Community Centre? All these are depressed areas that I am talking about. I feel a sense of belonging, because I was born and raised with these people. They are in my
blood.

**Mr. Baksh:** Would the hon. Member give way? Would you like to tell us how long those centres started and why they have not been completed? What is the cost factor? Tell us some of the problems that you were experiencing. You were there only a few months ago.

**Miss M. Mc Donald:** Member for Naparima, I could provide you with that information. I would send you the information. I would send you written information on it, Sir.

**6.30 p.m.**

I want to say to the Minister of Finance that in order to even begin to stimulate and grow this economy, the Government needs to do basically just two things. One is to gain consumer confidence, because it is lacking and that is part of the reason we feel so stagnated. You need to regain the confidence of the consumers, the ordinary people walking outside, and you need to re-energize the private sector to begin investing and creating job opportunities, and I will tell you why.

The Government is the biggest employer outside there, but we cannot do it alone and you know that. The public sector has to be the main driver of growth in 2011.

**[MR. DEPUTY SPEAKER in the Chair]**

There is need for the Government to articulate a clear strategy for economic diversification and medium-term growth. One aspect of the strategy is to work collaboratively with major stakeholders, that is, your private sector, to increase productivity and competitiveness in order to reduce the dependence on the energy sector.

Mr. Deputy Speaker, with those few words, I thank you.

**The Parliamentary Secretary in the Ministry of Arts and Multiculturalism (Ms. Nela Khan):** Mr. Deputy Speaker, before I make my contribution on this Bill before us today, I join with my colleagues in expressing the disappointment and outrage at the contribution by the Member for San Fernando East at last Friday's sitting of this House, when the said Member unceremoniously levelled accusations against the Member for Siparia with scandalous and false allegations, causing pain and discomfort to the Member and her family. [**Interruption**]

**Mr. Deputy Speaker:** I want to caution Members; that matter is before the
Committee of Privileges and should not be addressed by anyone in the Chamber.

Ms. N. Khan: Mr. Speaker, thank you for the privilege to speak on this Finance Bill that is before this House today. So much has been said and so much debate has gone on with this Bill.

In May of this year, 2010, a new government, led by the Hon. Kamla Persad-Bissessar, with an overwhelming mandate from the people of Trinidad and Tobago, was democratically ushered into governance. This move, indicated from the widest cross section ever of the electorate, was earned, not from the mere rhetoric of campaign promises, but from the commitment that the People's Partnership Government would be more responsive to the needs and plight of citizens of this country.

Those on the other side, meaning those sitting in front of us here, should have realized by now that this Government of the People's Partnership is all about empowering the people and not pauperizing them, as they would have done in the last nine years. In fact, most of the 40 years that they governed this country, every time they were voted into office they took this country and its people backward in a reverse gear, rather than taking us forward with their so-called Vision 2020 that never materialized.

This Government has decided to give back to the citizens who have toiled and contributed and built this nation. We do not intend to rape and plunder the Treasury to our heart's delight, but to give to the ordinary man who is most deserving. Action speaks louder than words.

As outlined in the recent budget, this Government understands and respects our senior citizens, so we promised to increase the old age pension up to $3,000. No longer would our elderly folk be unable to put a meal on their table and purchase vital medication.

Part of the amendment that we seek with this Bill is the value of pensions of the various classes of public sector workers, based on the Government’s proposal to narrow the income gap for a much cherished senior population of the country, especially with the current inflation, particularly food price inflation, facing the country over the last few years.

This cherished senior population living on a fixed income is being faced with less purchasing power with a mere $1,950 pension. The present Government has seen it fit to alleviate the expense burden as we want to ensure our senior generation has a comfortable standard of living in their latter years. This will help
to improve the financial burden that pensioners face, especially those without their own homes, as regards rent, food, medical expenses, et cetera.

With a mere $1,950 income, old age pensioners are left vulnerable to poverty in our society and many may have faced malnutrition. The increase in pension can also fuel the local demand in the country, since more than likely the increased income would be spent right here locally.

In this Bill, our manufacturing, agricultural and other sectors will benefit as the increase in any pension will be spent right here and, therefore, will come back into our local economy, thus increasing our current GDP in the end.

One could also argue, that the public servant who has worked all his life and dedicated his life to the country getting the same $1,950 as someone who has never worked in their life before but gets a senior citizens pension of the same value. This Partnership Government has also taken into consideration the very fact of a $1,950 senior citizens pension, with an increase in payment of any pension made under the Judges Salaries and Pensions Act; the Retiring Allowance (Diplomatic Service) Act; the Widows and Orphans Act; the Municipal Corporations Pensions Act; the Fire Services Act; the Pension Act; the Teachers’ Pensions Act and, of course, the Assisted Secondary School Teachers Pensions Act. The Teachers Pension Act as well as the Fire Services Act are also to be amended with a view to an increase in their pension, so they too like other pensioners will be able to live a more comfortable life at that golden retired age and more retired teachers have generously welcomed that pension.

Judges’ salaries and pensions are also given considerable attention in this Bill. Their pension plan is also of comfort and ease of mind, for it is said that there is an increase in longevity of retired judges; maybe the justification would have come from that.

Mr. Speaker, the Government through this financial Bill will also address environmental issues. This Partnership Government is mindful of the protection of the environment. This is why we have decided to enforce the laws and to put appropriate measures in place to deter those who are tempted to ill-treat our surrounding, where a stiffer and sterner penalty would become applicable to anyone culpable of such acts. We must understand the inconvenience we cause to others, our neighbours, the people around us and the environment when we litter and, as a result, stiffer penalties will be coming under the very said Act.

Litter sometimes causes site pollution. It is the most visible form of land
pollution and must not be taken lightly. This Government is very serious about preserving the environment in which we live. It is also doing all in its power to make the best use of our natural resources.

In this Finance Bill as well, the Government is encouraging the use of compressed natural gas by new private or commercial motor vehicles, by removing the motor vehicle taxes on same. Where an individual in the year of income commencing January 2011 purchases and installs a CNG kit and a cylinder, he shall be entitled to a tax credit of 25 per cent, up to a maximum of $10,000.

We will lessen the dependence on the use of non-renewable resources with appropriate adjustments to a wear and tear allowance of 150 per cent, where we will encourage our companies to utilize wind as well as solar energy. This Bill also emphasizes and encourages individuals in the year of income commencing January 01, 2011—for those who purchase solar water heating equipment for households. They will now be entitled to an allowance of 25 per cent of the cost of the equipment up to a maximum of $10,000. In this way the Government is encouraging individuals to use solar heating equipment, thus reducing the dependence on electricity, for a further less expensive and effective system. Our housing programme will seek to utilize the most environmentally sensitive technologies from heating and lighting, creating a more environmentally friendly society.

This Government is aware of the importance of our protective services in the fight against crime. How can you work if you are not properly compensated? The special duty allowance to police officers, effective October 01, 2010, shows our commitment to the fight against crime. Officers are now motivated in their daily performances when they are on duty as police officers.

In the amendment of the Petroleum Taxes Act as well in computing supplemental petroleum taxes, a tax credit of 20 per cent of the qualifying capital expenditure, in respect of mature marine fields, mature marine land fields and the acquisition of machinery and plant for use in enhanced oil recovery projects incurred in development activity carried out on land or in marine areas under exploration and production licence, is a deduction under petroleum taxes.

The Stamp Duty Act, which is also to be amended in the First Schedule, is regarding lease of any definite term less than one year, which makes reference to lease of state agricultural land irrespective of small and medium-sized parcels up to a maximum of 10 hectares. This Bill goes on and on, Mr. Deputy Speaker, but
much has already been said and debated at length with regard to this Bill. We, the
People’s Partnership Government, are walking and not talking the talk, as the
PNM continues to do. That is why they are sitting there and we are sitting here,
because we are walking the talk.

The PNM failed to represent all the people of this country. When I listened
to former speakers who spoke before me about dismissal in the Unemployment
Relief Programme (URP), the public service and many other areas, I sat and
wondered what was really happening. I say this in light of their statements. The
past government who sits here in Opposition today failed in their efforts to
represent the whole of Trinidad and Tobago.

Mr. Deputy Speaker, this Government intends to fulfil the promises
outlined in its manifesto which is built on seven pillars. We on this side of the
House intend to take this country into a bright future in the interest of all citizens.
It is not our intention to lead our people backwards. I said this in my earlier
statement that the PNM has taken us backward. It is not the intention of the
People’s Partnership Government to take this country backward in any way. We
serve our people with pride and we intend to lead with prosperity. This
Government intends to lead this country with integrity.

6.45 p.m.

I am satisfied in my mind—as the PNM has been saying to us that we
have been in office for the past six months and did nothing. Today I stand and I
say to you that in the past six months that this Government has been in office we
have done more than the PNM has done in their service of eight years to the
Republic of Trinidad and Tobago.

I thank you.

Mr. Deputy Speaker: I just want to make a little announcement before we start. I
want you all to look at 33(6), all right, and try to keep in line with the Standing
Order: “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”. Okay, so just look
at this please.

Mr. Fitzgerald Jeffrey (La Brea): Thank you very much, Mr. Speaker. In the run
up to the May 24th general election, the population of Trinidad and Tobago was
promised the proverbial milk and honey. [Interruption] There was going to be
drastic reduction in homicides; $3,000 pensions for anyone within the age of 60
and over; $20 minimum wage; no need to pass stringent legislation; we will axe the tax; everything was going to be alright; no discrimination, plenty employment, and of course, laptops for SEA students and so on.

Mr. Speaker, we heard “we will rise, we will rise”, with the sanctity of a crossover between a British and an American accent. Yes, we are rising. We are rising in unemployment, we are rising in homicides, we are rising with industrial inactivity, we are rising with public suspicions in the judicial system where money seems to talk with—[By Order of the Chair words expunged] [Interruption] Yes, we are rising in poverty—

Mr. Deputy Speaker: Member for La Brea, try not to go where it could be a sub judice rule. Okay! Expunge that from the record please.

Mr. F. Jeffrey: Thank you, Mr. Speaker, for that guidance. We are rising in frustration and hopelessness.

Mr. Speaker, when we look at the man in the street who seems to have a problem with this administration, when we look at our people in the street, the average one in the street, they are very cynical. For example, they will tell you, there is going to be a drastic reduction in crime and the youth man will say, “yuh right”. The OJT programme was not going to be stopped, the youth man say with the freeze in the OJT programme under the guise of restructuring, “yuh right”. Inflation will be controlled and food prices will fall, the youth man will say with the rising food prices, “yuh right”.

The curriculum at secondary school level will be reformed to ensure that the school environment is more conducive to learning intellectual development, creativity and the development of critical thinking. The youth man says with all of the violence going on in secondary schools, “yuh right”. Poverty will decrease in Trinidad and Tobago, with all the closing of projects, the Alutrint Smelter, curtailing of the URP programme, non-renewal of contracts for clerical staff in primary schools, non-renewal of contracts for remedial teachers in secondary schools, the youth man says, “yuh right. There will be transparency but the contracts for the lighting of the Piarco Airport runway were opaque, the youth man say, “yuh right”.

The dismissal of Fazeer Mohammed from CNMG towards Government complete tolerance of a free press, the youth man say, “yuh right”. No jobs for the boys but 53 new contracts for CEPEP workers awarded without board advertisement, the youth man say, “yuh right”.

[Interuption]
In the Finance (No.2) Bill, 2010, I wish to raise two concerns today to the Minister of Finance. In the budget presentation earlier this year you had mentioned the Police Service Pension Bill. In this Bill, it is omitted—I was also questioning what has happened to the Land and Building Taxes. In 2010 we do not have to pay any land and building taxes, is it going to happen again in 2011, 2012, 2013? The people need to know. [Interruption]

Mr. Speaker, in the Finance Bill earlier this year the Minister of Finance here tells us that the thrust of the new salary negotiation will be to make the civil service attractive to talented people. [Interruption] That is the thrust, eh, Mr. Speaker, and the poor public servants and them, you offered them zero per cent, zero per cent and 1 per cent. What an inducement for brilliant and talented people in the service. I guess that is the People's Partnership way of doing things. Very, very interesting, Mr. Speaker.

Mr. Roberts: What you all give them? That going on since you there.

Mr. F. Jeffrey: Mr. Speaker, in this Bill before us, we are seeing an attempt to correct an injustice where some retired public servants were receiving a pension of less than $3,000 per month while housewives who never worked for a wage or salary were receiving $3,000 per month. I want to give some examples of the situation with some retired public servants. Let us take fireman X—[Interruption]

Mr. Speaker, 40(d)—I cannot hear myself.

Mr. Deputy Speaker: Talk to me.

Mr. Roberts: Because you are deaf.

Mr. F. Jeffrey: Mr. Speaker, fireman X who began to work in the fire service in 1980 retired in 2003 after working for 23 years and now receives a measly pension of $1,945 per month. This is a gentleman who often risks his life to save other persons’ lives as well as to secure other persons’ property. Mr. Speaker, $1,945 a month just does not cut it.

Let us take teacher Y, who joined the noble profession in 1957 and retired as principal in 1997, but now receives a pension of $2,770 a month. A similar story could be made to teacher Z who joined the teaching profession in 1961 and retired as principal in 1996, but now receives a monthly pension of $2,730. That could never be right! [Interruption]

Mr. Speaker, 1996—2001, the UNC was in government and they did nothing about it either and I am here not to cast any aspersions. We are all guilty
in this situation and we need to correct the wrong. [Desk thumping] These are teachers who saw teaching as a vocation. They will teach not only the subject matter on the curriculum, but teach things like spirituality and morality. Mr. Speaker, they did not abandon the student who was lagging behind, but like the good shepherd, would do all that was necessary to ensure that that child was not going to be lost. If a student was absent from school the teacher would not only go to the child’s home, he or she may even bring the child back to school.

These were the types of teachers who taught me at the Vance River RC and Point Fortin Intermediate RC Schools: teachers like Miss Yuille, Mrs. Mitchell, Mrs. Jules, Mr. Sundarsingh and Mr. Alleyne, just to name a few. Those were some of the best teachers that have graced this profession of teaching. If I had my way, I would treble the $3,000 pension for public servants. Pensioners must not be seen as a burden but as persons who would have contributed to our country’s development, they would have paid their dues.

Mr. Speaker, I want to raise a question in terms of the Litter Act and I am asking, what is the purpose of the increased fines for the Litter Act? [ Interruption] Because when some of those on that side were on this side they found that it was not necessary to bring any more laws to the Parliament. [ Interruption] It was also felt that there was no need to increase any fines, what we needed was to enforce the law. Now they are on that side, we see here, that they want to increase the fines for littering. While I have no problem with the fines, I would like to know what is the purpose of increasing the fines. Is it a deterrent to prevent people from littering or is it a revenue earning measure?

Mr. Speaker, I am saying here this evening, if it is a revenue earning measure, then I think the reopening of the Alutrint Smelter debate merits a second and even a third thought. I say this because just as the Minister of Finance had made a pronouncement with the Clico situation, with the $75,000 they are offering, and now we see that they are having second thoughts about that decision, I think we need to look at the Alutrint situation again.

Mr. Speaker, I want to speak about a Cabinet Note—and it really hurts—on July 16, 2010. Mr. Speaker, we must not play politics with people’s lives. [ Interruption] At the commencement—

Mr. Deputy Speaker: I just want to draw this to your attention. I know the Speaker and myself resemble each other, but I am the Deputy Speaker, and for the record it will show that I never sat on the Chair if you keep calling me the Speaker. [Desk thumping and laughter]
Mr. F. Jeffrey: Thank you, Mr. Deputy Speaker. At the commencement of the debate on the smelter there was an argument, a rumour about health issues and it was well ventilated in the press, and it really and truly turned people’s minds against the smelter until I made that fateful contribution in the budget debate that really and truly opened up the situation. [Desk thumping]

7.00 p.m.

Mr. Deputy Speaker, those who want to laugh could laugh, but this is a serious thing as far as lives are concerned. Mr. Speaker, the hon. Member for San Fernando West, for whom I have great respect after reading this document here, says this, that the Alutrint Aluminium Smelter can generate significant economic activity in Trinidad and Tobago with the most important being employment and general economic activity with—[Interruption] That is the Cabinet Note—general economic activity annual revenues of U.S. $275 million, based on a forecasted LME price of US $2,200 per tonne. She further says that the modern aluminium industry has proven and demonstrated worldwide to have manageable environmental impact.

Mr. Speaker, not to be outdone, in the Appropriation Bill debate of Monday, September 20, the hon. Minister of Planning, Economic and Social Restructuring and Gender Affairs, Sen. Mary King, says:

―Now, what is really our competitive...‖

No, no, let me go before that, Mr. Speaker. In referring to the conference that the smelter people had at UWI, she says:

―The bigger mission of that conference and the publication is that both of those failed to address the economics of the smelter.‖

So, it had nothing to do with health issues. It was a basis of economic argument. But, the Minister of Energy and Energy Affairs quite clearly showed that the economic argument is, indeed, very sound.

She went on further to say that it is estimated that there will be employment for 700 plus workers, direct, with a potential for 2,100 indirect jobs and 7,000 jobs downstream. She spoke about the gas utilization, infrastructural development and the transfer of technology, all showing the importance and the viability of the Alutrint Smelter. But, Mr. Speaker, we are told that in the case of that Alutrint Smelter, they were going to put down a glass factory and photovoltaic complex and a polypropylene to plastic plant that would require US $2.5 billion or $2 billion respectively.
Mr. Deputy Speaker, the Minister put a little cap on that whole situation. In a question raised by Sen. Subhas Ramkhelawan, this is what Sen. King says:

“…plastics, propylene, melamine and so on, but we have to be careful that we are not going into mature products. Some of these products are really mature products and their markets and prices are declining, and they have been overtaken by the new engineering plastics. So if we are even going to go that route at all we will have to research what are the … profitable engineering plastics.”

If that is the situation, then “trouble take the people” of the south-western peninsula because what it means, Mr. Deputy Speaker, listening to Sen. King, it means that “no plastic coming to La Brea”; none. And, Mr. Deputy Speaker, it hurts, because when one looks at the situation in the south-western peninsula it begs, why are the people in that area being punished? Why? Why are the people of the south-western peninsula being punished? Is it because they supported the People’s National Movement? Is it? Because, Mr. Speaker—[Interruption] oh, sorry, Mr. Deputy Speaker, St. Patrick is the only administrative district in Trinidad and Tobago that has shown a drastic decline in population, when you look at the 1980, the 1990 and 2000 censuses. Caroni and northern Trinidad had drastic increases in population and it also meant that what has happened since the year 2000 is that, with the advent of the LABIDCO and Union Industrial Estates, we have seen an increase in employment, and that is a reduction in unemployment.

Now, Mr. Deputy Speaker, that we have seen the curtailment of the Alutrint Smelter, serious problems for the people in the southwestern peninsula. And I say so, not because I have any personal axe to grind for the Alutrint Smelter. There is rank unemployment and abject poverty in the south-western peninsula. Mr. Deputy Speaker, we need to look at that. If you do not want to use the smelter, what about importing the aluminium and continuing the downstream operation in Trinidad and Tobago so that the people in the south-western peninsula could gain employment?

Mr. Roberts: That is a good idea.

Mr. F. Jeffrey: Mr. Deputy Speaker, that does not seem to be on the cards. I will continue. When we look at the La Brea situation, we know that La Brea was once an industrial town. As a matter of fact, it was the first industrial town in the English-speaking Caribbean and what we have seen over time is a decline in that area, largely because, one, declining petroleum in that area. We have seen the
closure of Van Leer Containers that used to build the drums and because of the
reduction in the demand for the asphalt, we have seen the gradual increase in
unemployment, and, as a consequence of that, we had a case, for example, where
children were dropping out of schools because “the parents and dem” could not
afford. Mr. Deputy Speaker, when you went to some of those homes, the mattress
was old newspaper. That is what they have to sleep on; and whenever rain fell,
many of those children could not go to school because the roof was leaking.

Mr. Deputy Speaker, Alutrint came and changed all of that, because the
people got employment, children got hope that with industrialization in their
backyard there was a chance for employment. Many of the people who had
graduated from schools in the area and went out of the La Brea region either came
back or had plans to come back to contribute to the development of La Brea.

Mr. Deputy Speaker, in La Brea there is a plant called TOFCO, which is
the only plant in the English-speaking Caribbean that is building offshore
platforms. Ninety per cent of the people who build those platforms come from La
Brea and it just shows the kind of people we have in that area. Given the sad
scenario, heavy emphasis has to be placed on rescuing the people of the south-
western peninsula.

In the south-western peninsula, if you look at homicides, it has one of the
lowest homicide rates in Trinidad and Tobago and that is not by chance. The
family network in the south-western peninsula is very tight. [Desk thumping]
They are still very loving, but I am afraid that if the people in the south-western
peninsula see that they continue to be marginalized whenever another party is in
government we have serious consequences and we are bound because we know
only too well what happened in 1995. When the Government changed Farmland
and Mississippi Chemical was supposed to come to La Brea, and because the
Government changed, Farmland was induced to relocate from La Brea to Point
Lisas.

Mr. Deputy Speaker, it hurts the young people in La Brea, because they
saw where, for example, they were discriminated against. In other words, nothing
seems to be wrong to put things in Central Trinidad, but everything seems to be
bad to put it down in the south-western peninsula. We only have to look at what
happened in the 1990s when they were going to put down the aluminium smelter
in Central Trinidad, it was no problem, but any time it had to come to La Brea,
there was a problem.

Well, Mr. Deputy Speaker, I want to make this pronouncement here
tonight, that amidst all the unemployment, amidst all the poverty, if it is the belief of this Government that by pressuring the people of La Brea and the south-western peninsula, if by denying them opportunities for employment they feel that they are going to win those seats in the south-western peninsula, La Brea and Point Fortin, they have something else coming because, Mr. Deputy Speaker, it is high time that we recognize the importance of the south-western peninsula, which is really and truly the bastion of economic activity in the early part of the Twentieth Century.

Mr. Deputy Speaker, coming back to the Bill—because I still have a question here to raise—the Central Tenders Board, whereby we see they want to increase the limits—and in most cases by 100 per cent, I have a little fear, because, given the influence of the Minister in the appointment of the Central Tenders Board, I am very fearful that there could be some manipulation. Right in this House we are told that it is law that if somebody is on a board, for example, and that person has an interest in a matter being dealt with by the board, all that person has to do is to declare his interest and he can still sit and participate in the deliberation of that board. Mr. Deputy Speaker, even though it may be lawful to do it, ethically it is not right.

And so, in closing here, I want to again state the position of this side of the House as far as this Bill is concerned. We support the $3,000 for the pensioners. We support that wholeheartedly because two wrongs do not make a right. Not because under the UNC they were not getting the $3,000 that we must not support it. It is right, and, as a matter of fact, and I said before, it should be more than $3,000.

Mr. Warner: Ten.

Mr. F. Jeffrey: I support that, Chaguanas. And so, we must work together. All I would like to happen here tonight, Mr. Deputy Speaker, let us work together for the good of Trinidad and Tobago. Let us put aside politics, political partisanship and look for the best for Trinidad and Tobago. I thank you. [Desk thumping]

The Minister of Energy and Energy Affairs (Hon. Carolyn Seepersad-Bachan): [Desk thumping] Thank you, Mr. Deputy Speaker, for the opportunity to contribute in the Finance (No. 2) Bill of 2010.

Mr. Deputy Speaker, I welcome this opportunity to update this honourable House on the level of progress that has been made in the energy sector since assuming office as the Minister of Energy and Energy Affairs. I also very much welcome this opportunity to correct some of the incorrect information hon.
Members opposite have sought to bring to this House, and, in so doing, relay to the public.

Mr. Deputy Speaker, I will give a little background before going into the Bill before us so as to clarify for you the position we found ourselves in when we assumed office in May of this year. This background will, no doubt, give you a good gauge of the amount of work we have been able to do to restore some level of sanity to the energy sector and begin the process of a turnaround.

Mr. Deputy Speaker, when we took office we found exactly zero projects on the negotiating table.

**Hon. Member:** Say it again.

**Hon. C. Seepersad-Bachan:** We found exactly zero projects on the negotiating table. All the talk we heard before about booming energy and a new era in energy from the past administration was nothing short of vacuous and intended to mislead. In fact, my friend from Point Fortin, she is not here this evening, in speaking during the budget debate in September this year, would have had all of us believe that we came in and met things in place, and as we heard this evening from some of the Members of the other side, and simply carried on.

Mr. Deputy Speaker, through you, I would like to tell all the hon. Members, including the Member for Point Fortin, Member for San Fernando East, the Leader of the Opposition, that such statements are completely untrue. What we found, in fact, was a complete mess in this energy sector. What we found was an energy sector suffering from a loss of investors’ confidence. What we found, there was no substantial new activity in the way of projects. What we found, falling oil and gas reserves. What we found, shrinking equity crude oil production over the last five years. What we found, a State oil company that was extremely heavily leveraged and besieged by allegations of dubious hiring practices, large cost overruns on upgraded projects, questionable processes in the award of contracts, and, Mr. Deputy Speaker, what we found was growing insecurity among workers who were becoming increasingly fearful for their own livelihoods.

But, Mr. Deputy Speaker, let me also acknowledge and set straight another comment that continues to resonate through this honourable House, as if to steal from our population the opportunity to have all of the facts. The other side has continued with their game of distraction. They stand and speak about the caring PNM and all that they did in the past eight years, but nothing happened. They talk
as if they are at a complete loss as to why our nation is in the state that it is in now, with a new Government that is taking every sector by the hand and guiding it to recovery.

Mr. Deputy Speaker, even the former Prime Minister, the Member for San Fernando East broke his six-month silence and got a piece of his distraction action as well, but nobody on that side—anyhow, it does not matter, it is before the Privileges Committee. But, Mr. Deputy Speaker, everyone seems incapable of understanding that a public official or our present Prime Minister would have had the tenacity to build a house with her own money. The old and new PNM only understand extravagance when they are spending Trinidad and Tobago’s money. So it is beyond them to understand a woman and women of this country, and a woman like Kamla Persad-Bissessar, the Prime Minister of our country, who has been in politics, yes, but as women we understand. As professional women, this is what we aspire to, Mr. Deputy Speaker.

So let me take this opportunity to tell the others on the other side, and as this nation as well, we stand by our Prime Minister [Desk thumping] and through you I want to caution Members opposite that the People’s Partnership, we have each other’s backs [Desk thumping]. We look out for each other and we will defend each other—colleagues—and when they are unfairly attacked with the same vigour we defend and protect, just the same way we defend and protect the people of this country. [Desk thumping]

But, Mr. Deputy Speaker, distraction is their art, not ours. We deal with things head-on and I want to return to the Bill at hand and I want to give the people of our nation the true picture of the danger we have steered our energy sector away from, and the promising future we are deliberately and carefully building.

Mr. Deputy Speaker, hon. Members opposite talk about us spending so much time talking about their failings, but when the Government of the People’s Partnership swept into office, we did so with a commitment to take responsibility for our nation’s future, not the past. Every single Member on this side has taken the responsibility for where our country will go, and our nation is regaining the confidence finally. [Desk thumping] But, what we will not do is take responsibility for the failures of the past administration. This is something we will not do.

Mr. Deputy Speaker, let me now turn to the upstream sector and let me put it in context. On taking office as Minister of Energy and Energy Affairs, I found
that all the grand projects that promised a secure future for our energy sector and our nation were just not there. I listened this evening and I heard how many projects there were on the table, Mr. Deputy Speaker, and let me speak to these projects because, you know what, they tell us about Essar Steel. Essar Steel pulled out of this country under the last PNM administration [Desk thumping] and during that time they encouraged NGC to spend money to put up a port facility, recognizing and knowing full well that Essar Steel pulled out. That is what caused CIB to start falling, Mr. Deputy Speaker, but, that is a responsible Government—Essar Steel. That is Essar Steel.

Three ammonia plants I am hearing about all the time. I have the list here. Where are these three ammonium plants? Let me tell you—three ammonia plants. They were all sited for where—la Brea. I wonder if La Brea is aware that the EMA is the one that went in and cancelled those three ammonia plants because of the pollution levels. So what happened then? That was cancelled under the PNM. [ Interruption] Let us go on now, Mr. Deputy Speaker. I keep hearing about Lurgi. I am glad; they called the name on that side because I did not want to. That company was going to, yes, build, what it was, the gas to propylene plant for the plastics industry. Lurgi filed chapter 11 during your time under the PNM. This is why every budget, budget after budget, the PNM will come to this House and repeat the same projects and they knew they did not have those projects on the table.

You know what they were? They were like ghost projects. Just the same way that they talk about ghost gangs, there were ghost projects [Desk thumping] sitting there every year with not a commitment. But you know what was the most irresponsible part of the last Government? Let me tell you what was the most irresponsible part of the last Government.

Mr. Jeffrey: Hon. Minister, would you give way? Thank you, hon. Minister. That polypropylene to plastic was not destined for the La Brea Industrial Estate.

Hon. C. Seepersad-Bachan: The Lurgi project your Leader of the Opposition spoke about, the propylene plant, from methanol to propylene by Lurgi, I do not know where it was going to be sited. It was investment sited and your leader said it was a $1.5 billion project. Yes, we agree, but Lurgi pulled out a long time ago because they filed Chapter 11. So my point is that all these projects that you all keep listing, they do not exist. But let me tell you what is the most irresponsible part of all of this, on the part of the PNM administration.

You knew very well that you did not have ironclad agreements for any of these
projects. You had nothing signed; and do you know what you did? You encouraged the NGC, mandated the NGC, to go and ask for more gas to sign off on new contracts, to send upstream the producers to produce more gas, invest, and this is why today we have an oversupply situation. That is irresponsibility. That is an irresponsible government. We now have gas and there is nowhere for that gas to be used, not because of us, but because of you—your irresponsibility, Mr. Deputy Speaker, as the PNM.

So when you come telling me now—our job is to find ways to utilize the gas. But I also want to say, you have well also knew you had a declining reserve position. You went and you committed this gas and encouraged the producers to produce more gas, put in more infrastructure, and you know that in the long term we will be short on supply. That is irresponsibility.

But Mr. Deputy Speaker, right now we are engaged, and I want to tell this nation, we are engaged through the NGC, the NEC and the Ministry of Energy and Energy Affairs, at looking at how we will deal with this oversupply situation. But not because we have that oversupply are we going to just take it and sell it off and use it willy-nilly so that the people of Trinidad and Tobago do not benefit from that. That is a natural gas resource that belongs to the people of Trinidad and Tobago [Desk thumping] and maximum benefits must be derived for their sake.

But, you know, you all do not understand that. Your business was, it is just anything, anywhere. That was the business for the PNM, Mr. Deputy Speaker. So I wanted to make that very, very clear, when every time I keep hearing this about projects upon projects sitting there. The Malaccan hydride, the Carisal, all the investors pulled out. They had no interest in this country. Do you know why? We must ask ourselves why; why that happened under the PNM, but I will give you a little bit about why later on.

Mr. Deputy Speaker, Essar Steel pulled out, Lurgi pulled out, the Alutrint Smelter was a mistake, and I will deal with that just now. We had already entered into a shallow—let me tell you how irresponsible. When we came into office, they had launched a shallow bid round, and they launched that bid round on the shoulders of a past failed bid round. They changed nothing. They had introduced something called a taxable PSC which caused the failure of the last bid round, and this is the government that says, okay, I am going to launch another bid round knowing that your fiscal regime needed revising. When we came into office in May with that bid round, we had to quickly move forward and address the fiscal regime and extend the deadline by one month in order to ensure that we will have a successful bid round. Mr. Deputy Speaker, I want to tell you, we will be making
awards very soon with that bid round.

On this point, I want to add that the current situation where we have this short-term oversupply of natural gas is, in fact, connected to the failure of this past administration, and I want to put that on record. And it is said that Essar Steel pulled out because we understand that the former energy czar of the country frustrated investors by withholding the price of natural gas. How true this is, Mr. Deputy Speaker, we will find out in due course. This is why, on coming into office, he have established a transparent and open evaluation framework so no longer are you going to have this kind of political influence and discretion that will run investors out of this country. [Desk thumping] Mr. Deputy Speaker, I emphasize here on short term. This past has proven, and this time around we are proving again, there is no damage that the PNM can inflict on this country that we will not fix. We will do everything to fix that. [Desk thumping]

But, Mr. Deputy Speaker an active upstream sector is perhaps the most important element in the sustainability and long-term viability of our energy sector. The upstream sector was ailing and had ground almost to a halt. Let give you a snapshot, Mr. Deputy Speaker; and, you know, I work with facts, and if I my colleague here will just assist me, I am going to circulate, Mr. Deputy Speaker—with your permission, I want to read from this table. These are the statistics, the drilling and workover statistics from 2001 to 2010.

When we look at the wells—and we have a snapshot here—from 2001 to 2010, when we look at exploration wells, when they came into government in 2001 they met 16 exploration wells. During the years, that moved from 16 to 15 to 11 to 9 to 7 to 14. Do you know where it is today, when we came into government? Two—two wells. Development wells—you see, because they are saying we stagnate the economy, you know, but development wells, in 2001. In 2001 when the PNM came into office there were 140 development wells. That went down to 59 in 2002; went all the way down. Do you know what is in 2010, when we came into office? Eighteen development wells. You know, if you look at the total figures, they went from 156 wells, between exploration and development, down to 20 wells, Mr. Deputy Speaker.

Footage drilled: in 2001, it was 606,333. Do you know where it is today, when we came into office—114 thousand. Rigs in use: in 2001 there were 26 rigs in use. Where is it today? Six rigs is what we came in and met. You know, Mr. Deputy Speaker, it tells a story. If I look again—you know, because they talk so much about us stagnating the economy. Let us deal with these bid rounds—and,
you know—because we are adopting all their policies. When in 2004 they had a bid round for January 2004, do you know how many bids they signed, how many PSCs? Six. On November 30, 2006 they signed four. That is for their eight years that they have been in Government. They signed six and then a four.

But it is also important to note that in those four that they signed Total withdrew—that is a company called Total—withdrawn from block 2AB; ONG Mittal withdrew from their PSCs as well; Trinidad Exploration and Development withdrew from southwest peninsula—the shallow and deep-water blocks. Do you know what happened on December 15, 2006? They had a deep-water round—not a taker. It was a complete failure. They introduced what they called the taxable PSC, and that is what led to the complete failure of this bid round.

This is why when we come—you see, when you are talking about we are continuing their policies; if we had continued with that regime, we would have had no bids. Mr. Deputy Speaker, I want to tell you, we closed that shallow round, on the September 08, we have bids, and in the next couple of days we will have four contracts to sign, [Desk thumping] just in six months, Mr. Deputy Speaker. We believe there is oil and gas out there, but the previous administration failed year after year to attract the level of interest to go out and explore acreage.

Let me correct the Member for Port of Spain South who said, you know, why are we going into—we are doing nothing different in terms of this dwindling reserve position that we had. We criticized the last administration for using as much gas as they could without proving up gas, and we kept saying that they never launched an aggressive exploration programme to replace what they are using. We have said that over and over. This is how this policy differs from the last administration. Because, yes, we will mark it downstream, but we must also say to the national community that we are prepared to go out there and take the risk and explore and prove up our reserve and, Mr. Deputy Speaker, we will do so. [Desk thumping]

What we did in order to ensure that we had successful bid rounds is, we returned very quickly to the conventional production sharing contract; it was the conventional contract that was used between 1995 and 2000, and I want the Members opposite to note that, based on this alone, it is entirely inaccurate to put forward to our nation that we came in, met systems in place and ran with them. We revamped, we transformed in six months. In fact, we came in. We met a mess, we cleaned it up and we started moving forward. So let us not sit there and talk with righteous indignation about stagnation. If you understand economics, you
will understand that stagnation does not set in in a few months just like that. It takes a lot of hard work to destabilize an economy. Eight years is a good amount of time for them to have done that. [Desk thumping]

Mr. Deputy Speaker, on September 08, we also opened the deep-water bid round, and, in order to ensure that we have that as a successful bid rounds, this Bill today deals with a number of the measures that we have put forward to encourage exploration in our deep-water areas. That bid round will close on January 18 as at this point in time, and we are looking at carrying on with a continuous exploration programme over the next five years.

Some of the issues that we have been able to institute, one is, we have reduced the petroleum profit tax to 35 per cent in order to spur deeper interest in our deep-water acreage. We recognize the high risk involved and the capital intensive nature. The contract model that we have opted to was an open biddable profit-share matrix with a flexible work programme, and we have ring-fenced the expenditure and revenues where cost and expenses will only be recovered from the particular production-sharing contract.

Mr. Deputy Speaker let me just speak to the Bill very quickly on those issues, because these are some of the issues that have been—-we have put in to—some of the measures that we have put into the Bill. In fact, there are some amendments and I just want to say that one of the things we have also done, you would have noted in clause 18 of the Petroleum Taxes Act, what we have done is we have amended the definition of “deepwater”, because we also included in that area the average deepwater sections. Before deepwater was considered to be greater than is one thousand meters; today we have included the average deepwater, which is from 400 meters to 1,000 meters. We recognize that the average deepwater areas experience the same difficulties and complexities in terms of risk and the capital requirements, and therefore, Mr. Deputy Speaker, we have included that so that it will be able to be treated in accordance with the PPT proposed for the deepwater acreage.

Mr. Deputy Speaker, one of the issues here is that we have ring-fenced. What had happened is when that last administration—they went to length in 2007 when they passed the Finance Act, at that point in time what they did was they actually allowed for consolidation, meaning contractors, on the signing of a PSC, any dry—not just dry hose, but any capital expenditure, they would have been able to carry that across all the blocks that they have, other production-sharing contracts.
We are saying, Mr. Deputy Speaker, today we are removing that allowance and we are ring-fencing, meaning that you cannot claim expenses from one production-sharing contract or one block to another. As a result of that, Mr. Deputy Speaker, in the Act you would note that there are a number of areas where we have defined what is called the specified period, and the specified period, because it was offered in 2007, is from 2007 from the passing of that Act to December 31, as stated here, but we are amending it today for it to be November 30 of 2010.

The reason for that, Mr. Deputy Speaker, is that if we do sign off on PSCs before the end of December in the next month, we would not want those production-sharing contracts from this bid round to be able to consolidate, you know, such contractors to consolidate. So it is in order to ensure that it is only contracts that were awarded during that time which they had allowed for consolidation that will be allowed. Therefore, this is what clause 18 will be dealing with in terms of the Finance Bill. And therefore, later today in Committee stage, we will be moving that date to November 30.

Mr. Deputy Speaker, some of the other issues that we have dealt with in this particular Bill is the land-based crude oil production. Let me just address this land-based oil production—another one again, Mr. Deputy Speaker. Over the last five years from 2005 to now—in 2005 there was 145,000 barrels of oil per day. Today, you know where we are, five years later? We are at 100,000 barrels per day. You know, one wonders; and this is performance, “eh”, and they talk about stagnation of the economy. I wonder what would have happened if they had another five years in office. Crude oil production would have disappeared under the PNM administration. This is why they are there, you know, and we are here. This is why they are there and we will continue to be here. [Desk thumping]

Mr. Deputy Speaker, we have spent a lot of time over the last couple of months, before we came to the budget we intended to revamp the entire fiscal regime, because we felt it was important that if we are going to boost production, boost exploration, we must have the fiscal regime, the right environment. Therefore, Mr. Deputy Speaker we are looking at the tax royalty regime, because it is important for us to understand that land-based production is one the biggest employers of people in Trinidad and Tobago in the south of Trinidad. In addition to that, they are one the biggest employers of energy service companies. When they introduced—I want to say this, because in 2007 we criticized and we critiqued the Bill that they had brought to this House and we indicated in—sorry, in 2005—that those measures that they were putting in place were going to shut
down land-based crude oil production and, Mr. Deputy Speaker, the evidence is here today because from 2005 to now you moved from 145,000 to 100,000.

So we took a deliberate approach to boost oil production. So when we go to sections of the Bill, what we have done is modified the SPT rates and we have inserted to allow for the tax credits. So let me just start off by looking again under 18, under the Petroleum Taxes Act, if you go to 25B under (e), you will know that what we are doing is computing the SPT as a tax credit of 20 per cent. We are now allowing for the qualifying capital expenditure in respect of mature marine, and what we call small oilfields, Mr. Deputy Speaker. But, however, Mr. Deputy Speaker, the tax credit is only limited to the amount of SPT that is payable. They will not be able to go beyond that point.

One of the other issues here is that any of the qualifying capital expenditure—and why we call it qualifying capital expenditure as outlined here in the Bill, is because you will not be allowed to take capital expenditure not related to the field development. All of the capital expenditure must relate to field development, and therefore, it is not possible for a company to buy a car and say, okay, that is a capital expense and apply it here for a tax credit.

So, Mr. Deputy Speaker, exclusive of all dry holes, we would be including all the capital expenditure, whether tangible or intangible costs, with respect to—related to the development of the field. It is also important for us to understand as well that what has happened is that some time ago there was some ambiguity, and what the Bill sets out to do is to ensure that it is clear they cannot claim this qualifying tax credit on both cases. It is one or the other, either because you are a mature field or because you are a small field; meaning a mature field, more than 25 years or a small field because it is less than 1,500 barrels of oil equivalent a day. Those qualifying tax credits must be claimed within the financial year.

I just wanted to go very quickly, Mr. Deputy Speaker, to the table, because what we have done with the SPT, we have adjusted the SPT and the table is given in part B, the scale of petroleum taxes. What we have done, is, for the marine areas there is a pre-1988 rate and there is post-1988 rate. If the price of oil is between zero and $49, they will pay no SPT, whether it is marine acreage or land or deepwater blocks.

If it is that it is between 50 to $90, Mr. Deputy Speaker, then if you are a pre-1988 licence holder then you will pay 42 per cent. If you are post-1988 licence holder, you will pay 33 per cent. If you are a land or you are a deepwater block, you will pay 18 per cent. If the price of oil is between 90 and $200, Mr.
Deputy Speaker, there is a scale that will work, a formula, and, of course, if it is over $200 it goes to 64 per cent, 55 per cent and 40 per cent. So, Mr. Deputy Speaker, we have adjusted the SPT rates for our oil production to ensure that we can boost the oil production. In addition, it is important to note that that will be granted—the tax credits are taken off from the SPT. This is how the People’s Partnership feels that we will be able to move forward in terms of boosting oil production. I thought it is important that I outline that.

In addition to that, Mr. Deputy Speaker, if I go to clause 14 as well, we have introduced this time around sublicensing, and the Petroleum Act is amended to ensure that the definition of “sublicence”—before sublicence applied only to land. What we are attempting to do in this Bill today, Mr. Deputy Speaker, is to include “marine area” as well. The reason for that, Mr. Deputy Speaker, is that it allows for—by having this clause, we are able to extend sublicensing to marine operations in order to encourage investment opportunities.

What has happened over the years, there are a number of what we call small deposits of oil and natural gas that are considered to be uneconomic to be developed by the large operators, and therefore, if sublicensing is available, they are able to sublicense to another operator, a small, low-cost operator, who will be able to—and we believe, Mr. Deputy Speaker, that there are about four trillion cubic feet of gas that we are able to access with this new feature. It is important to note that this will only be done with the approval of the Minister. The 24A allows licensee to issue a sublicense to persons who engage in specified petroleum operations on land or marine areas, within the licensed area, but it must be with the approval of the Minister. So you just cannot allow for a sublicense without the approval by the Minister.

Mr. Deputy Speaker, probably now I should go to the downstream development as we speak about how we want to push further down the value chain in the downstream energy sector, and that was motivated by a demand for us to be able to extract far greater value from our natural gas. This push was also inspired out of demand by entrepreneurs and manufacturers to be able to participate more in their own energy sector and own more of our energy resources. Government’s approach for the development of bite-sized industries will bring investment opportunities, ownership opportunities and active participation in our energy sector closer to the reach of a much larger number of citizens.

It has always been our intention to move beyond the primary, secondary and tertiary derivative industries and herald what we call the fourth stage where
we take the raw materials we produce and use them for manufacture of consumer products, and this is where I want to be able to make the distinction, because the Member for Port of Spain South said that we were continuing along the same policies, and all we were doing was expanding the petrochemical sector. Let me use this as an example. In October the AUM 1 Complex was commissioned and at that commissioning I called for the coming together of a conference on the use of melamine and how local entrepreneurs and manufacturers could use this versatile raw material for new industries.

As you know, Mr. Deputy Speaker, the MHTL produces 30,000 tons of melamine annually from this new project and it is absorbed by the export markets. Because of the versatility of this primary derivative, the international markets will quickly absorb it and eventually what happens is that Trinidad and Tobago will end up buying back the very derived products at much higher prices. So our question was, why not create the opportunities for our manufactures here at home to create the products that we import? This is no different, Mr. Deputy Speaker. It is in keeping with the People’s Partnership Manifesto that our energy sector must be linked to the local manufacturing sector of Trinidad and Tobago and this will assist in the diversification process.

In just under a month, the conference was brought together to introduce the many opportunities in melamine and feedback from the conference was that there is great excitement and commitment to move forward with the opportunities. We do have some impediments but we are dealing with them. And it was not simply a conference, Mr. Deputy Speaker.

The Ministry of Energy and Energy Affairs, working with the Ministry of Trade and Industry; the Ministry of Planning, Economic and Social Restructuring and Gender Affairs, the National Energy Corporation, MHTL, eTecK and BDC, business, finance, academia, all came together to identify the opportunities as well as the potential impediments in the areas such as project financing, for instance, so that downstream expansion in the context of melamine could be a seamless debottlenecked initiative. This move also defined how Government has expanded its role in the context beyond that of a facilitator to that of enabler, negotiator and a partner.

Mr. Deputy Speaker, I believe this would demonstrate Government’s commitment, far better than words can, to ensuring the creation of more industries will take on a different, much more collaborative approach in the future. The Government will move to develop more energy-related projects together with the
manufacturing sector from the very beginning. What this means is that we will not move to host a forum such as the one hosted for melamine after the product has been manufactured, but rather before production of the commodity begins, because, Mr. Deputy Speaker, my point is, what should have happened is that in 2008 when MHTL began construction of the plant, that would have produced the melamine, a forward thinking Government would have also conceptualized the idea of a melamine conference, so that, by the time production began everything would have been in place for our manufacturers to take hold of those very same raw materials and immediately move forward.

You see, Mr. Deputy Speaker, problem found, fixed, and now we are moving forward. This is how the People’s Partnership does it. The melamine approach can now be easily used as a template for the development of other downstream projects for future petrochemical plants. The Government of the People’s Partnership said we would deliver an expand and diversified downstream sector and begin the process of building this industry right away, and we have started it. We have provided the platform for the expansion of local smaller sized industries. We have identified the opportunities for much greater local participation in energy. We have laid the groundwork to strengthen our entrepreneurial reach as well as our manufacturing sector. That is how it is different, Member for Port of Spain South.

The Government has now entered the fourth stage of gas development where local manufacturers will now be fully involved. And let me say, Mr. Deputy Speaker, it is not something we met. This is something we developed and implemented in just six months. [Desk thumping] This is how we will be able to help with diversification of Trinidad and Tobago. This is how we will develop energy services that can one day be exported from our country. This is how we will develop the key skill sets that are transferable to other sectors of the economy. This is how we will encourage local ownership and equity in the energy sector.

So, Mr. Deputy Speaker, having said that, let me turn now to this Alutrint project that we they seem to be talking about all the time. Let me start by saying—which this Alutrint project has just become a political football, being used by the PNM on the other side to score goals and, of course, you know, every time they try to score a goal they miss the shot all the way.

Some months ago, and today again, the Leader of the Opposition came to Parliament on a day when I was responding to a question on the Order Paper regarding that smelter, and he came with a leaked Cabinet Note, and then he
called this big, you know, with all this pomp and so on, he called a press conference and revealed to the media this Cabinet Note; but, Mr. Deputy Speaker, I want to tell the hon. Members something that the leader of the Opposition must already know, and many of them should know, a Cabinet Note is not a Cabinet decision.

Furthermore, Mr. Deputy Speaker, there are other Cabinet Notes that followed that Cabinet Note, which I think, next time, whoever leaked that Cabinet Note for you, tell them “leak the next set a Cabinet notes, nah”, so you could get the whole story. I think this is what the others on the other side—and they can do—[Interruption]—they set them up on the other side. So what he tried to pass off is, every time they wave this Cabinet Note it is a Cabinet decision. There is no Cabinet decision. And let me just start by saying—

Mr. Jeffrey: Hon. Minister, thanks for giving way. Are you saying that the information that you put down in this Cabinet Note here is inaccurate? [Desk thumping]

Hon. C. Seepersad-Bachan: First of all, Mr. Deputy Speaker, let me speak to this Cabinet Note. When I came into this office I asked the technocrats to prepare this Note so that it can go to Cabinet and Cabinet will have the information for discussion. After, it went to the Finance and General Purposes Committee. This is what I am saying. You probably did not sit in—you never sat in Cabinet. It went to the Finance and General Purposes Committee and line by line we discussed each of the issues in this particular Cabinet Note.

PROCEDURAL MOTION

The Minister of Housing and the Environment: Mr. Deputy Speaker, I beg to move that this House continue to sit until the completion of the Finance (No. 2) Bill before us.

Question put and agreed to.

FINANCE (NO. 2) BILL

Hon. C. Seepersad-Bachan: Thank you, Mr. Deputy Speaker. When it went to the Finance and General Purposes Committee we analyzed all the information that was given in this Cabinet Note, and I think I have made those points over and over, and I said before, several times, when you speak about 7,000 jobs in the downstream sector, you know, how many people—I forget the figure you quoted and I cannot remember what it was, but, it is in here—how many of those people were being employed from La Brea? Do we know, Member for La Brea? Do we
know? How many of them were Chinese workers, Member for La Brea? You don’t recall that? You did not recall that part of it? Because that is the next thing, you know. They selectively quoted out of this Cabinet Note. There are other parts to the Cabinet Note.

8.00 p.m.

That is the next thing, you know. They selectively quoted out of this Cabinet Note. There are other parts to the Cabinet Note, but everybody forgot that. That all these numbers they are quoting for employment in the construction of the Alutrint project, how many Chinese workers were supposed to come into this country? Let me answer it for you. I will tell you. It is 800—900 Chinese workers they were employing.

Secondly, Mr. Deputy Speaker, the other thing they fail to understand, everybody is talking about this employment on the Alutrint smelter. There was no construction on an Alutrint smelter. They could not, because there is a court order based on the CEC—based on the court. Are we disrespecting the High Court? So there was no activity—no construction activity—on an aluminium smelter. We came in and met it. It was shut down before. It was shut down under your time. The construction of the aluminium smelter was shut down under the PNM; not under us. What do you want us to do? [Desk thumping] Break the law?

Mr. Jeffery: Would you give way?

[MR. SPEAKER in the Chair]

Sen. The Hon. C. Seepersad-Bachan: No, wait. You want me to clarify. All the time—you must read the entire note and you must read all the subsequent notes that come with it, Member for La Brea, and all the Members on that side. I want to say this, because you see, everybody takes this aluminium smelter and they include everything in it. There are three parts to that aluminium smelter. There is the construction of the smelter; the storage and handling facility; the dock yard and the port facility. We did not stop the port facility. We did not stop the material handling facility.

Interestingly, you know what is important for us to note in this House? The aluminium smelter; the construction of it; the economics in this, given in this Cabinet Note which you have, only deals with the construction of the smelter. It could not carry the cost of the material storage and handling facility, and it could not carry the cost to the port. You know who was carrying the cost for that, for those two areas? Do you know, Member for La Brea? The National Energy
Corporation was the one carrying the cost for those two.

In fact, Member for La Brea, and other Members on the other side, when we investigated, that is what starting throwing the economics of this project off. In addition, Member for La Brea, let me read something here for you, because you keep reading out of this. Did you find out what was the gas price for this? I mean, everybody, including everybody on that side, when I revealed this information in the other place—

Mr. Speaker: The speaking time of the hon. Minister has expired.

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

Question put an agreed to.

Hon. C. Seepersad-Bachan: Thank you, Mr. Speaker, from both sides of the House. I want to go back to page 4, you know, and I had revealed this and I got criticized for doing this. What we did is—when you look at the conversion cost through the power plant, the TGU plant, you would be able to impute the cost for the gas. What did we come up with? I revealed this. We came up with 85 cents per million Btu as what you would have been paying. Eighty-five cents. Do you know what is the cost to T&TEC, which is the lowest in this country? One dollar and eighteen cents, plus 12 cents for transportation.

Tell me, Member for La Brea—I raised this, and I hope my colleagues will forgive me for saying this, but I raised this among my colleagues and with other members of Government, that this is not the best way to use our royalty gas. Royalty gas, when you have royalty gas—and it is stated here; it is royalty gas—and when you use royalty gas, it is supposed to go to the people of Trinidad and Tobago, and, therefore, it should have been supplied to T&TEC; not Alutrint. [Desk thumping] Alutrint must be able to stand on its own. Alutrint must be able to stand on its own as an aluminium smelter, but you all continue to mislead this country.

Let me deal with the other issue, because I do not have much time. It is mainly because of the time. It is the timing issue. Not that I do not want to give you a chance. Let me go back. Let me just deal with this Alutrint issue again. The other issue raised by the Leader of the Opposition was all these partners involved in this project.

You did not read the Cabinet Note. You must read it. Read the whole thing. Read it and you will see what was the arrangement between Sural and the
Government of Trinidad and Tobago. Who foot the full cost of it? The Government of Trinidad and Tobago. Sural did not come up with their share. None of the other partners. And you know what is most amazing? Even when they are claiming their percentage equity, what are they claiming? Sweat equity. Not a hard-earned cent. And your Leader of the Opposition had the audacity this evening to talk about that? [Desk thumping] He wants to come and defend the partners? Defend the people of Trinidad and Tobago first. Defend the people. [Desk thumping] We put all the money in, and you are coming to tell me—

Furthermore, Mr. Speaker, let us deal with this issue again, going back to this great employment that they are talking about, in terms of all this; because I got a note here, when we dealt with this issue with Alutrint. We said that when we came in, what we would do is to ensure that employment continues. We would not interfere with the material storage and handling facility, however, we would look for alternative uses for the material storage and handling facility and the dock facility.

Mr. Speaker, I just want to quickly say on this issue, because I do not have much time, what happened is that on October 29, 2010 we recognized that we had all the original designs. In order for us not to face the penalties by discontinuing an EPC contract for the construction of this material storage and handling facility, which had a coke storage building, stacking tube and control room, et cetera, et cetera, we changed the design, so that we could ensure—

What we did is that we did not advance the works in the coke storage building, including the stacking, works on the aluminium silo and the conveyor system. Why? So that we could look at the material storage and handling facility being used for other uses. In fact, on October 29, 2010, a contract addendum was executed by the National Energy Corporation and the contractor, in which it was agreed to omit certain works from the contract and add certain works as follows, including installation and erection of the gantry-mounted pneumatic shipping loader; liquid pitch facility; erection of conveyor system, transfer towers, et cetera, et cetera; completion of the silo, and some of the other things.

The point I want to make here is that the site of the material storage and handling facility can be used for various activities, one of which is to warehouse raw materials. NEC, and I said this in the other place, is currently in the process of finalizing a memorandum of understanding with Dipro/induca Trinidad Limited to warehouse a transhipment facility. The NEC aims to have this facility operational by the first quarter of 2011 so that revenue can be received from both the site and the Brighton Port. [Desk thumping]
But the CEC request order is still in place. We still tried to find an alternative use for that facility so we could start generating revenue to pay back the capital cost. You see, you all feel the Government is an open purse—the Treasury—to spend money anyhow. However, it is bottomless, you know, until one day it becomes empty, and which is what this Government has had to deal with, and we have had to find alternative uses for everything. We have had to find ways to get back revenue streams to pay back on these expenses that you mounted up over the last eight years. That is the PNM way, you know. That is why you cannot understand how a professional woman and her husband could build a house. That is why you cannot understand that on your side. You will never understand that, Mr. Speaker. But you know, we do. We understand.

Mr. Speaker, just going again to the Alutrint project, I want to say this; I have indicated as well that we have not cancelled the possibility of downstream of an aluminium smelter. And why I took the time now to talk about the evaluation-based framework that we have developed for evaluating such projects, is because I want to make the point that if you do not have ironclad agreements for downstream, you are not getting that project. Every one of the projects you announced over your last eight years, including the Alutrint, you have no signed ironclad agreement for a downstream development; but we have said that in the case like in Alutech, we will look at that and we will continue to explore that opportunity; and if there are any opportunities to put such projects in La Brea, we will do so, Mr. Speaker. I hope that puts that issue to rest, Mr. Speaker. I need to move on. I am running out of time.

We have also indicated that any project that goes into La Brea must be able to work with the community, must be part of that community and must be for the development of the community. Any industrial development taking place in La Brea must benefit the people of La Brea and environs. It is, therefore, in the context that we give the assurance that the Government will keep employees employed, for example, on the storage and handling facilities. So when you come to me with this employment issue, I want to know what employment you are speaking about, because they had no employees—there was no construction going on on the Alutrint smelter when we came in; and rightly so, because you have a court order in place stopping those works.

Mr. Speaker, I just want to move very quickly. Later on, we will move on to say more on Alutrint. Let me quickly move to renewable and alternative energy, CNG. Mr. Speaker, I want to shift now to the development of renewable energy and alternative energy industries here, and I want to say more on the
proposed shift to CNG as an alternative fuel. CNG was introduced in 1984, but without the marketing thrust and sustained support of the government, and it never really took off because of that.

An approach was made again by the government in 1995—2001 and some progress was made; however, following that, the initiative again suffered from a lack of strategic support and waned badly. In the past 10 years, sales in CNG locally have declined by over 50 per cent due in part to limited and aging refuel stations, weak economics of conversion, a lack of demonstrated commitment by State agencies and insufficient public awareness programmes on CNG.

There are approximately 5,000 converted vehicles on the road with nine stations equipped for fuelling. Our CNG conversion goal is 100,000 cars, or approximately 20 per cent of the total motor vehicle population; however, it should be noted that 20 per cent of converted motor vehicles will account for just 40 per cent of the total liquid fuels we use, and this will translate to approximately $1 billion in annual savings to our country through a decrease in the subsidy payments.

There is also the potential for increased revenue streams, which is what we are exploring; because, you know, we are now able to free up valuable products that can be sold on the international markets and generate much needed export earnings. Therefore, Mr. Speaker, the CNG will allow our products from Petrotrin, refined products, to be sold on the international market. On a global scale, in the past 10 years, the CNG market has increased tenfold from 1.2 million users to approximately 7 million natural gas driven vehicles supported by 16,000 stations in 84 countries. Analysts have projected that by 2020, there will be 65 million natural gas driven vehicles on the roads around the world, which will translate to 9 per cent of the world’s motor vehicles.

Government’s energy policy stresses the promotion of alternate sources of energy and the efficient use of current energy resources. Natural gas is available without refining and is delivered to the stations by a pipeline network which itself is more efficient, as it lowers the energy used in refining and transportation of liquid fuels. To attract citizens to use CNG, and also to demonstrate the Government of the People’s Partnership’s commitment to alternative energy sources, we have put forward a number of benefits as seen here in the Finance Bill.

Mr. Speaker, in accordance with clause 16(h) of the Finance Bill, there is a grant of a tax credit to an individual of 25 per cent of the cost of CNG conversion
kits and cylinders used in conversion; and again, the maximum is $10,000. We felt, Mr. Speaker, and we have been told, that capital cost, when you put it out, you are able to regain that in less than two years.

In clause 16(b)(ii) and (b)(c)(ii), Mr. Speaker, there is a grant of a wear and tear allowance of 130 per cent of the cost of CNG conversion kits and cylinders used in the conversion of fleets. Let me just say, that provision, the reason we felt it was important to put in this particular provision is because we want to target our stakeholders, the fleet owners; and if we are able to target the fleet owners, that is a big portion of the subsidy payments that we are looking at.

In terms of clause 16(b)(ii), we have also looked at the grant of wear and tear allowances of 130 per cent of the cost of plant, machinery and equipment required for the conversion centre, Mr. Speaker. These conversion centres, we expect, would be one way again of generating economic activity and employment by encouraging—by giving these allowances, we would see more conversion centres being developed.

We have zero rated the VAT for five years in accordance with—we have amended the Income Tax Act. Clause 16(b)(c)(i) amends the Income Tax Act to zero rate all factory-outfitted private commercial CNG vehicles which are not either new, or those which are not more than two years. That is in clause 19(a). We have removed the motor vehicle tax for five years on imports of factory-outfitted private and commercial CNG vehicles which are not older than two years.

Mr. Speaker, what happens there is these two clauses expire by December 31, 2015. We feel that this is to allow many people to move towards CNG by giving these incentives, and that this amount that we are talking about in terms of motor vehicle taxes and VAT that we would lose, we would be able to recoup that amount with respect to the reduction in subsidy payments. So there is an economic benefit to the Government of Trinidad and Tobago.

NPMC and the United Petroleum (UNIPET) have been requested to develop within 18 months, at least five new stations with the capability of refuelling vehicles which use CNG. These five new stations will add to the present station network. Both companies have been requested to ensure that the equipment used is capable of refilling the average vehicle in two to three minutes. In fact, Mr. Speaker, this is why we have set up the CNG Task Force to ensure that these standards are adhered to; so any service stations that are being developed by UNIPET or NPMC, they must ensure that the equipment procured
for the dispensing of CNG must be able to fill the vehicle within two to three minutes. [Desk thumping]

You see, this is about walking the talk. This is what they lack; because last time they spoke extensively about CNG. The Member for San Fernando East, always talking about CNG, for eight years, and they did nothing. This is why. [Desk thumping] I mean, it takes a lot of work, Mr. Speaker, and you will see we have some amendments as well for this evening.

Mr. Speaker, we also assigned responsibility for the development of CNG to the CNG Task Force which we installed in October 2010. Already, two meetings have been held and work has been centred on updating and modernizing the Petroleum Act as it relates to CNG and the codes and specifications used in the design of CNG stations, installers and, also, equipment for cars.

In fact, what we have also done in terms of standards is that we have ensured, and we would like to ensure that the conventional steel cylinders for CNG storage would be replaced by the lightweight, what we call “composite cylinders” in order that the weight of the storage cylinder would not contribute to mechanical failure. In times gone by, they felt that the weight of the steel cylinder contributed to a mechanical failure of the car.

It is also important for us to understand that the CNG itself, the CNG cylinder, will be fitted with a Radio Frequency Identification chip (RFI) which interfaces with the CNG dispenser. So when you go to fill, immediately, it will tell you if this has met its inspection test; if it has been updated, Mr. Speaker. [Desk thumping] And so, it is devices like this that will aid in monitoring and regulating the safety standards for CNG operations, and we will be able to trace any suspect conversion of vehicles or any vehicles that are out of testing dates.

You know, these are the incentives that we have provided, Mr. Speaker, to ensure that we discourage the importation of substandard and defective kits, and CNG kits must be undertaken by approved holders of a CNG service licence. Under the Petroleum Act, we have the CNG service licence holders and we want to ensure that the Ministry would end up regulating that sector so that they cannot bring in defective equipment.

The task force has also held discussions with the motor vehicle dealers on original equipment manufactured vehicles, which are vehicles manufactured for CNG fuel. The task force has also looked at the diesel fuel market, as whilst conversion from diesel is possible, it is more complex than the normal process. What we are saying here is whereas we are able to easily access conversion kits
for motor vehicles when we are dealing with diesel engines, it is not such a simple process.

The CNG task force was appointed, as I said before, October 25, 2010 and includes stakeholders. Let me just say who the stakeholders are. Members from the Ministry of Energy and Energy Affairs; Members from the Ministry of Finance and Public Administration; we have included on that task force the petroleum fuel wholesalers, NP and UNIPET; we have included representatives from the petroleum fuels distributors and the Petroleum Dealers Association, because all these associations expressed interest.

What was really amazing to me is the number of stakeholders that have come forward to say that they would like to participate in the CNG business since the budget announcement, and I want to congratulate them, Mr. Speaker, for coming forward. The Energy Chamber; representatives of the Trinidad and Tobago Chamber. We have co-opted persons from the EMA and other stakeholder agencies.

Let me quickly now turn to renewable energy. Mr. Speaker, let me start by saying that we wasted no time in fiscal incentives when we were dealing with renewable energy, and in the 2011 budget for projects, we requested—and let me very quickly just say, for wind and solar equipment, 19(c) in the Finance Act, we have no import duty on wind and solar equipment. We have zero rated, for VAT purposes, wind and solar equipment again; that is 16(b) and (d). Wear and tear allowances of 150 per cent of the expenditure in acquiring wind and solar equipment. Again, we have allowed the individual a tax allowance of 25 per cent of the value of solar water heating equipment to a maximum of $10,000 per household, because we understand that no solar water heater is coming around that price, and that is 16(d) of the Finance Act, Mr. Speaker.

I just want to bring to the attention of this honourable House, in a report entitled *The Renewables 2010 Global Status Report*, 100 countries were highlighted in the context of how they have implemented and gone forward to institute renewable energy through policy promotion and targets. Of these countries, 45 out of 85 developing countries were included in this report.

Mr. Speaker, let me inform this honourable House that Trinidad and Tobago was nowhere in this report. Let me repeat, Trinidad and Tobago was nowhere in this report, but 45 out of 85 countries were highlighted in this. You know, immediately, having seen this, we took it on seriously and this is why we wanted to send a very clear signal for immediate yet deliberate action. Let me
now report that following the passage of the national Budget for fiscal year 2010/2011, Trinidad and Tobago has assumed its place in this report as one of the developing nations aggressively pursuing a renewable energy industry. [Desk thumping]

How did we do this? How did we achieve this? We achieved this through the fiscal measures, the capital subsidies, grants, rebates—this is why I read them out just now—the tax allowances, and so on. All the investment and other tax credits, the sales tax, the energy taxes and VAT reduction that were included in that budget allowed us to become recognized in that global status report.

What we are also doing, Mr. Speaker, is that we are providing other incentives, going forward. We are looking at the issue together with the Ministry of Public Utilities, T&TEC and the Regulated Industries Commission. We have commenced discussions on revising the legislative framework to enable use of renewable energy and its incorporation into the national power grid, and these legal instruments include open access, which guarantees non-discriminatory access to the distribution and transmission grid network. This will reduce interconnectivity problems and help to provide the foundation for a competitive electric power market. What it means is that you will now be able to produce electricity from renewable sources and have that go on to the national grid.

The feeding tariff and energy supply policy to support the development of renewable energy, which places an obligation on electric utilities to purchase electricity generated by renewable sources as a calculated per cent of the retail price or avoided costs; and the net metering, will allow small electricity consumers who generate their own renewable electricity to store power on the grid in times of surplus and take from the grid in times of need.

So let us understand how this will work. Let me explain. This will facilitate—which is what we are going to run as a pilot project next year—the development of what we call HESS, the Home Energy Self-Sufficiency programme, in which individual households will be allowed to invest in small-scale wind turbines and PV systems, thus generating their own renewable electricity to store power on the grid in times of surplus production, like during the day, and to take from the grid in times of need. Therefore, they are able to net off. With the net metering, they are able to net off and it is deducted against their bill, Mr. Speaker.

This is why the Government, in collaboration with the Ministry of Public Utilities, will pursue this. Let me just say, this is why the Government will
aggressively explore. We find no better way to use our gas than to explore investments for a complex world-scale manufacturer of glass and photovoltaic cells. This project will involve the importation of silica from Guyana and requires a capital of $5.2 billion. I do not know where the Member for La Brea went, but this is one of the projects we are targeting for the La Brea Union Estate. [Desk thumping]

Mr. Speaker, if I may turn very quickly to energy efficiencies, another area that we have provided a number of incentives; and there are some amendments which we will deal with at the committee stage, but again, it is to be able to generate. It is one way of diversification. We are trying to establish what we call the “energy savings companies”, and once we are able to develop that kind of core competency, that kind of capability, those services can be exported through the region. Therefore, Mr. Speaker, for energy experts, energy efficiency is a low hanging fruit that is quickest, it is greenest, and it is a cost-effective way to lower energy consumption; most important, to reverse the depletion of our reserves and lower emissions.

Mr. Speaker, this is why Government has moved in the evaluation framework to score points for investors based on energy efficiency methods that they are using. It is also to encourage all the industrial companies in Trinidad and Tobago, including small, light manufacturing and heavy industrial, to engage, you know, to use these energy service companies for energy audits and to invest in capital expenditure, capital equipment for energy savings, Mr. Speaker.

Corporate responsibility in the context of storing—the Government has also included in the new project evaluation framework, scoring for companies with solid, workable and credible corporate social responsibility programmes. Industrial development must not be done at the expense of communities; industrial development must enhance the communities it seeks to develop a relationship with. We strongly believe in that.

I would really like to move to Petrotrin, but I think I am out of time. Let me say very quickly, Mr. Speaker, having given a snapshot of what we have found as regards the state sector companies in energy, especially like Petrotrin, what we have found is a company that is heavily leveraged, besieged and with all sorts of practice. I want to make one point in this House about Petrotrin.

What is interesting with this particular project is that you have had extensive delays and major cost overruns. What is interesting to know is that you had a Standing Committee on Energy, and on that Standing Committee on
Energy, you had your Prime Minister, who could not have had a better friend on the same committee, the Executive Chairman of Petrotrin. And you know what? They approved everything for themselves. So they approved the extension of deadlines; they approved all the cost overruns; they approved an open chequebook for Petrotrin with these non-reimbursable contracts, Mr. Speaker.

That is where the money is gone. We are talking about where the money is gone? That is inefficiency. And you talk about Government and stagnation? It was done from the highest level in this country, and we should not—this is why we have that audit going on. We will get to the bottom of it by the end of the day, and let me tell you something, the people of Trinidad and Tobago will see the true colours of the PNM.

Mr. Speaker, that is why when we go to corporate governance, we have found—and this is why we have informed all our State boards, and they have been fully apprised of the Government’s position, and having been mandated to strengthen corporate governance structures and to ensure that institutional measures are put in place to not only find where there is corruption, but also prevent attempts to corrupt processes and flag attempts so that they can be promptly dealt with.

Mr. Speaker, I want to say that in terms of open and transparent governance of the sector, the Cabinet has approved our reaffirmation of our commitment of Trinidad and Tobago to the Extractive Industries Transparency Initiative (EITI). Cabinet has also approved the establishment of the steering committee and has approved the issuance of a letter to the Secretariat of the EITI expressing our commitment to the principles of EITI, and informing the EITI of the steps taken to implement in Trinidad and Tobago, the EITI.

In closing, Mr. Speaker, I want to thank the people of our nation for being patient as we took hold of our respective ministries in the first six months of our Government. [Desk thumping] It has been quite challenging, I admit, but it has been rewarding to find that people were all too willing to adopt a new direction and to begin working to revive energy and the energy sector in Trinidad and Tobago. A lot has already happened and much more is planned.

Mr. Speaker, the energy sector is today, and will be in the foreseeable future, the main driver of our economy. It will assist with the diversification of the economy of Trinidad and Tobago, and the people of our nation can once again rest assured that energy is in good hands. We have taken hold of the fiscal regime and revised it to make it more competitive, and revived our upstream sector on
energy. Mr. Speaker, done.

We have taken hold of our downstream sector and have already developed a template for expansion that will involve all our local entrepreneurs and manufacturers in the energy levels of investment, and that will allow for full participation. Done! We have taken steps and begun implementing measures to increase the level of local participation and content. Mr. Speaker, we have taken all the steps. We have enhanced our frameworks with which we will evaluate all our gas-based projects, and in six months, Mr. Speaker, not eight years, but six months. This is how a Government should work and this is how we intend to continue working for all our people of Trinidad and Tobago.

I thank you, Mr. Speaker. [Desk thumping]

Mr. Nileung Hypolite (Laventille West): Thank you kindly, Mr. Speaker, for giving me the opportunity to make a very short intervention on the Bill in front of us. A Bill entitled, “An Act to provide for the variation of certain duties and taxes and to introduce provisions of a fiscal nature and for related matters.” Mr. Speaker, my colleague from San Fernando West—

Mr. Warner: She is not your colleague.

Mr. N. Hypolite: She is not my colleague? Okay. The Member for San Fernando West, who is not my colleague, as the Member for Chaguanas West indicated, said to us that we are not aware of what a Cabinet Note is all about. I just want to share with her that we have a very fair idea, very, very fair idea, of what a Cabinet Note is all about. It is about recommendations that go to Cabinet, and Cabinet Members will, of course, sit around the table and deliberate on it, and a decision will be made. It will either be accepted or it will be rejected.

She also made mention that, again, it is something that they all say on that side, “That is why you are there and that is why we are here.” Let me state, Mr. Speaker, that we are fully aware that we are here and you all are there. We are fully aware of that. All right? We are here and you are there. We are fully aware of that. Mr. Speaker, the Member also gave a lot of information on the energy sector, and by all means, we appreciate the information that she shared, but we also have a couple questions, which we are going to file, to get more information and probably a motion, also, so that we can continue the discourse.

The Member for Princes Town, Mr. Speaker, indicated that the People’s National Movement did nothing for this country, and she also indicated that we carried the country backwards; but the thing about it, Mr. Speaker, NAPA, for instance, is a
building that was done under the People’s National Movement administration, and it is a building that the present administration tends to use right through for all activities. In fact, Mr. Speaker, Queen’s Hall is like no longer there, because everything is at NAPA. That was done under the People’s National Movement.

**Mr. Peters:** That is not true.

**Mr. N. Hypolite:** It was done under the People’s National Movement. Are you saying that NAPA was not built under the People’s National Movement? It was done under the People’s National Movement, Mr. Speaker. The Hyatt; all activities are done at the Hyatt. No longer do we use Hilton and Crowne Plaza, and these places. Everything is done at the Hyatt. All activities are at the Hyatt, and the Hyatt was also built under the People’s National Movement.

We also had free tertiary education, in fact, from nursery to tertiary, under the People’s National Movement. To stand and say that nothing was done under the People’s National Movement is not correct. We also increased pensions. The old age pension was increased to $2,500. We also built the flyover at the Uriah Butler Highway. We had a series of social programmes; the MuST, HYPE, MILAT, MYPART, and I could go on and on with those social programmes.

We also looked at the removing of the T&TEC power plant from Wrightson Road and we had identified a location at Barataria to put down a site there. We also looked at a management action plan for WASA, and we had a proposal put forward for some 90 kilometres of transmission pipe to be changed; 85 kilometres of new pipe to be installed. The funding of some $1 billion was approved, and what that would have done for this country, Mr. Speaker, is that it would have supplied, or it would have given 70 per cent supply five to six days a week; 25 per cent supply of water, four to five days a week; and 5 per cent supply, one to three days a week. So again, to say we have done nothing is not quite correct.

Mr. Speaker, the Bill before us seeks to make amendments to the Act which raises revenue. It is important that we raise revenue, by all means. To get the economy going, to get the country going, we need to have money. With that, Mr. Speaker, we can improve the quality of Government’s business with citizens; in this case, the services that are offered. Mr. Speaker, we must also ensure that the laws that we pass assist in the nation’s development, and some of the Acts that we have in front of us to be amended are the Central Tenders Board Act, the Income Tax Act, the Corporation Tax Act and the Stamp Duty Act, just to name a few.
The thing about it, Mr. Speaker, is that Trinidad and Tobago is sad. Trinidad and Tobago is sad, because the economy of Trinidad and Tobago is as if it is in retreat. The economy is sluggish, and one can feel it. The banks and the business sector are in a slow mode. The public is not spending. It is a rippling effect and the jobs are drying up. There is an unease in Trinidad and Tobago. People are uncertain of their jobs, and this has been taking place since June 2010. In fact, Mr. Speaker, what is taking place right now is an unemployment rate of some 7.5 per cent, and that is—

Dr. Moonilal: According to whom is it 7.5 per cent?  
Mr. N. Hypolite: The CIA World Fact Book.  
Dr. Moonilal: Oh, that is what it says?  
Mr. N. Hypolite: Yes, 7.5 per cent. The thing about it, Mr. Speaker, is that you will have a 7.5 per cent unemployment rate simply because you have the HDC, the “Colour me Orange Crew” being dismissed; you have the URP senior management, and now the whole scale of the employees, monthly paid, short-term contract employees being sent home. You have the litter wardens of Tunapuna who were also sent home. Head of SAUTT. You have legal counsel at the Attorney General’s office being sent home; and one can go on and on with the number of persons who have been relieved of their duties, Mr. Speaker, which is what is having this country right now with a 7.5 per cent unemployment rate.

Dr. Moonilal: Anybody from Highlight Services went home?  
Mr. N. Hypolite: Nobody from Highlight Services went home. They probably have phones to purchase. Mr. Speaker, what we have also is a series of persons outside there protesting. Public servants; the staff at Mount Hope; Members of the Board of Inland Revenue; Public Service Commission employees; UWI lecturers; steel workers, Mr. Speaker, and even the people from Cipriani Labour College right now are requesting that their actions be taken seriously.

Mr. Speaker, you have the attack on the Muslim community; the attack on the media; attack on the freedom of speech. [Desk thumping] The attack, Mr. Speaker, on the Judiciary and, also, on our democracy. So, there are a series of activities taking place right now in this country that have people uneasy, and more so, the economy uncertain. The economy has stalled. The Government has not created any jobs since coming into office. The Government has not created any initiatives to inject any kind of money into the economy.

One of the things that can move this economy is simple construction
opportunities—

Mr. Peters: Some big tall buildings.

Mr. N. Hypolite:—in which they love to host activities. In Laventille, Mr. Speaker, as my colleague from Port of Spain South indicated, there was an initiative to have a number of activities take place within that community. What would have happened is that it would have also created job opportunities for the people within the Laventille community. [Desk thumping] What is taking place right now, coming out of that same initiative, we have no community centres being completed, being built; we have no recreation ground upgrades taking place.

Mr. Peters: You wanted us to build it abracadabra in six months?

Mr. Speaker: Order please.

Mr. N. Hypolite: You see, Mr. Speaker, you have to understand that when they are speaking, we keep quiet and listen to them. When we are speaking, they make unnecessary noise. Unnecessary noise because the truth hurts, but it is fact. No community centre in Laventille being constructed or the completion of the centres; no recreation ground upgrades taking place. Even the simple T&T food cards. Of course, just recently, they went down to Siparia and gave out food cards left, right and centre. Laventille people also are in need of food cards.

No employment opportunities, as I made mention of earlier on. A simple thing as the Unemployment Relief Programme, Mr. Speaker, people are being sent home. So, a programme to assist individuals with unemployment, you send them home also. Even up to this morning, I got a letter from some persons in Siparia crying out that they received letters of termination—and it is 16 of them—from the Prime Minister’s constituency; crying out for them to have their jobs saved. Why? Because it is Christmas and they are looking for the little opportunities, bearing in mind that the Prime Minister indicated there will be no job loss. The Prime Minister indicated that there will be no job loss.

What really and truly is taking place, Mr. Speaker, is a series of unemployment taking place which continues to carry the unemployment rate up. Crime is another issue. Of course, you have the Commissioner of Police indicating the spiralling murder toll, by members of the media yesterday, “Gibbs described the sudden rise as very disturbing.” Very disturbing. Twenty-six murders, Mr. Speaker, in nine days. The Government indicated that they had a plan and they had solutions for all of these things. Mr. Speaker, the country is still
waiting to hear what the plans are. That is what we are saying; just waiting to hear what the plans are.

Again, we fully understand that we are here and you all are there. You all are the ones who say you all have the answers. We are only asking the questions. I did say, Mr. Speaker, that I will be short, and I will stick to my word that I will be short, seeing that some of us need to go home and read our Cabinet Notes. So with that, as I said, being short, with the understanding that we need to stimulate the economy by getting opportunities outside there—job opportunities going—rather than sending people home. You see, Mr. Speaker, when you send people home, that is what will also contribute to the murder rate and other criminal activities.

With those few words, Mr. Speaker, I thank you.

Minister in the Ministry of Works and Transport (Hon. Rudranath Indarsingh): Thank you, Mr. Speaker, as I join this debate on the Finance Bill 2010 and give my full support to this very important piece of legislation. It is important that those on that side and the national community be reminded on a continuous basis that it is the failed fiscal policies of the PNM over the last nine years that has resulted in this sad state of affairs in the nation’s economy, which the Member for Laventille West alluded to in terms of the current stalemate and inactivity as it relates to the economy of Trinidad and Tobago, during his contribution.

It is they who failed to deal with the issues of unpaid VAT claims and unpaid contractors, and they supervised and failed to deal with the financial system in a very focused way, hence the reason for the mess at Clico and CL Financial. During the contribution of the Member for Diego Martin West, the hon. Leader of the Opposition, he attempted to indicate to this House and the national community that the People’s Partnership Government, during the process of campaigning, attempted to mislead and mamaguay and fool the cane farming community.

He spoke extensively on the sugar industry’s closure and the demise of Caroni (1975) Limited, and within recent times, those on that side seem now to be the champions of labour and the labour movement all of a sudden. What the Member for Diego Martin West did not tell this House was that he was part of a government and Cabinet which inflicted a policy of industrial relations terrorism and union busting—[Desk thumping]—on the national community; more so when they took the decision to close Caroni (1975) Limited, and sent home over 10,000
workers who belonged to the labour market of this country.

What he did not further amplify and say is that when the decision was being made and the All Trinidad Sugar and General Workers Trade Union went to the Industrial Court of Trinidad and Tobago and got an injunction to mandate the Government, vis-à-vis Caroni (1975) Limited, to address the issue of negotiating a package, the then Minister of Agriculture, Land and Marine Resources, John Rahael, displayed a flagrant disrespect for the ruling of the Industrial Court. The injunction was realized on a Friday evening, and within minutes of it being handed down by the President and the quorum of judges, the Minister of Agriculture, Land and Marine Resources’ response at that point in time was that, “We will fire and we will send home,” if the workers of Caroni (1975) Limited failed to accept what was being offered.

The then Minister, at that point in time, usurped all the principles of good and established industrial relations practices. He usurped what were the functions of the Human Resource Manager of Caroni (1975) Limited and he went throughout the length and breadth of the industry, more specifically, at the Woodford Lodge Field Engineering Department at the Caroni Research Division, in Waterloo and at the Brechin Castle factory, telling workers that if they did not accept the package, they would be dismissed.

Their policy at that point in time was attempting to sell the transformation of the sugar industry was as a policy that would lead to the expansion and the revitalization of the cane farming sector. They told the cane farming and the national community that it would be one of expansion and revitalization; an industry of 75,000 tonnes with a mill at Usine, St. Madeleine, and the establishment of the Sugar Manufacturing Company Limited.

As soon as the political dynamics changed in Trinidad and Tobago, outside of the 18/18 political configuration, it was no longer a policy of expansion and revitalization of the sugar industry. It was one of total shutdown. It was one of industrial relations terrorism; and it is one that is reflective of the PNM’s approach to dealing with the labour movement in Trinidad and Tobago, Mr. Speaker. [Desk thumping]

It was union busting not only at Caroni. It was at BWIA with ACAWU, CATU, and also at NBN and TTT, and so on. So when they attempt to be the new champions of the labour movement, and all of a sudden they are concerned about the industrial relations climate and the environment that we are operating in and workers are being sent home, and so on—total hypocrisy on the part of those on
that side—they must be reminded that when they took office, within the URP system, the next day—the next day—workers who were employed in the system were kicked out in the most vicious of manner and unceremonious.

They were taunted, they were intimidated, and they were abused by the PNM. Where was the Hon. Member for Diego Martin West and the Member for Laventille West, and so on, in championing the cause of the labour movement, Mr. Speaker, at that point in time; as they are trying to do now? It is the PNM which took the decision to shut down Caroni (1975) Limited. It is the PNM which misled the cane farming community, Mr. Speaker, and they must clarify their position.

**Dr. Rowley:** I thank the Member for giving way. That is true. It was the PNM that shut down the Caroni sugar operations; but is the Minister prepared to tell this House this afternoon that the Caroni cane farmers will get the EU money? That is the issue I spoke about. Could you tell us what is going to happen with the EU money and whether cane farmers can look forward to payments from the EU grant?

**9.00 p.m.**

**Hon. R. Indarsingh:** Mr. Speaker, the issue that I am attempting to deal with is the approach of the government that you belonged to and the Cabinet that you belonged to and you sat and was part and parcel of a process that brutalized and traumatized 10,000-plus families across the geography of the industry. That is the fundamental issue. Do not attempt to be hypocritical now in terms of courting the labour movement in Trinidad and Tobago.

Your administration's approach was one of union busting and attempting to destroy trade unions. Check what happened with ACAWU and CATU; check what prevailed in the sugar industry as is relates to ATTAS and CISA and the Estate Police Association and the Sugar Boilers Association, as it relates to the labour movement and the recognition of trade unions in Trinidad and Tobago.

That is the issue, Mr. Speaker, they must not attempt in their political mamagism to attempt to mislead the national community, because the People's Partnership Government is committed to the urgent resumption of significant and sustainable economic growth and it is critical from time to time that we provide a brief snapshot in terms of what transpired in this economic environment.

The statistics have revealed that the total cash balances declined significantly from TT $17.7 billion at the end of the fiscal year 2008 to
$9.7 billion at the end of the fiscal year 2009 and a further $5.43 billion as at June 2010. The statistics I alluded to could be found in the report on the Nation's Business, the State of our Finances and Initiative for Future Action delivered by the Minister of Finance on June 11, 2010.

In such circumstances, the People's Partnership Government, through the hon. Minister of Finance and the distinguished Member for Tunapuna had no alternative on September 08, 2010 to present a fiscal package which focussed head on, on facing the issues and turning the economy around.

You see, we are here today because the People's Partnership Government led by the hon. Prime Minister and the distinguished Member for Siparia is committed to the rule of law and the constitutional framework of this country. The presentation of this Bill is a constitutional requirement on the part of the Government in relation to the package of measures that were outlined in the 2010/2011 budget. We have a responsibility to give legal teeth to the measures and we are of the political mould to ensure the regularization of the measures which are geared individually and collectively in bringing back this country into a state and semblance of civility and development.

Our first budget presentation focussed on the over-arching theme of prosperity for all via sustainable development taking into consideration the promotion of a competitive economic environment by building the capability for, or making it easy to do business within the economic framework of our country and to zero in on people-centred development, poverty eradication and national and personal security. Through our distinguished political leader, at the time and the Member for Siparia, we made a compact with the people and when we campaigned, our manifesto, our statement of intent addressed the real issues facing the people of this twin-island Republic.

We, on the Government side, understood the major challenges and, as a result of the exemplary leadership that has been displayed by our hon. Prime Minister, Mrs. Kamla Persad-Bissessar, the People's Partnership Government will go down in history as one of the most compassionate governments that will ever face Trinidad and Tobago from a historical perspective.

We gave a commitment to serve the people and now we have gone beyond to delivering to the people for a better quality of life in relation to all the citizens of Trinidad and Tobago. This is why the distinguished Member for Caroni East, in his contribution earlier on, could have said to this Chamber that we promised that all children who were successful at the Secondary Entrance Assessment
examination will be provided with a laptop. During the budget debate, it was those on that side who scoffed and laughed and so on. When the hon. Member indicated that the laptops will be outfitted with security devices and so on, it was those on the other side, especially the Member for Diego Martin North/East, scoffed and attempted to vilify the pronouncements of the security devices and so on, and today we could see the fruits of the commitment of the Government and the fruits of the Minister of Education when the first laptop was stolen and was recovered within a time frame of 48 hours as a result of the checks and balances that were put in place by the visionary officers of the Ministry of Education and so on.

We also indicated that we would review the minimum wage: It has moved from $9 per house to 12.50 per hour in less than six months. We gave that commitment. [Desk thumping] We gave a commitment to embark on a massive road paving exercise and that is being facilitated through the dynamic leadership of the Minister of Works and Transport via the Ministry of Works and Transport, and it is not road paving in a few constituencies; it is road paving across the length and breadth of Trinidad and Tobago in delivering to the citizens of this country.

Mr. Hypolite: When are you paving Laventille?

Hon. R. Indarsingh: You had nine years. But we will serve and we will deliver to all.

As previous speakers have alluded to, we committed ourselves to replacing the senior citizens grant with an old age pension and to increase it to $3,000. But what is more important, too, and I want to focus on an area of concern with respect to the existing legislation governing the senior citizens’ pension and zero in on the issue of residential criterion. Because from time to time, citizens, and more so, constituents have been coming to my office in Couva and they have been indicating to me that because they spend a period of time outside Trinidad and Tobago, they are being denied the right to access an old age pension or what we would call the senior citizens’ pension.

Today, through this Bill, we are attempting to address this particular issue, because under section 4(1) of the Senior Citizens’ Pension Act, it states:

“For the purpose of determining the residential qualification of that person, that person must have been ordinarily resident in Trinidad and Tobago—

(a) for a period of twenty years immediately preceding the claim for the pension; or.
was so resident in Trinidad and Tobago for a period of 60 years in the aggregate.”

In computing residence in Trinidad and Tobago under that section, “any periods of temporary absence not exceeding five years in the aggregate, shall not be counted as a period of absence.”

We, of the People's Partnership Government are of the view that this Act is not friendly to persons who were born and lived most of their lives in Trinidad and Tobago. For instance, a person who was born and resided in Trinidad and Tobago for 59 years and having spent five of the last 20 years out of the country, will not qualify for the senior citizens' pension. However, a person who was not born in Trinidad and Tobago but became a resident within the last 20 years, can qualify for the pension. It is felt that the period of time that a person lived in Trinidad and Tobago, should be reduced from 60 to 50 years.

So we are not only concerned about increasing the old age pension to $3,000 per month; we are concerned too about attempting to address imbalances in citizens' quest to enjoy what is rightfully theirs under the Constitution of Trinidad and Tobago. You see, we talk and we walk the talk. We are a Government that is committed, as I said, to the rule of law and constitutional obligations to the citizens of this country. We are not in the business of setting up institutions without legal justification. I want to reiterate that. We are not in the business of setting up institutions without legal justification or in prescribing a formulae of advancement without the legal foundation.

We believe in the law and that was something that was sadly lacking when they sat on this side. Probably the Member for San Fernando East can lay in this Chamber one day the approvals that were granted in relation to the construction of the church at Guanapo. He attempted to broad-brush this entire side of having a relationship with the drug community and that is why we were focusing on dismantling certain institutions and so on, in this country. He attempted to build or create some kind of atmosphere or feeling in the national community that there is some relationship between the People's Partnership Government and the People's Partnership and those involved in the drug trade. But we seem to live in a very short-framed society from the point of view of our memories. He could tell us when he sold his vehicle to a reputed drug lord within San Fernando in the southern part of this country; what relationship existed between the PNM and that drug community in Trinidad and Tobago at that point in time. What was the relationship at that point in time between the Member for San Fernando East and the person that he sold his motor vehicle to?
9.15 p.m.

Mr. Speaker, it is important that we seek to amend several laws to give effect to Government's fiscal incentives which would normally or may escape the normal scrutiny of others, but it is as important as most. And this particular Bill which deals with amendments in relation to financial regulations, touches at the heart and soul of the economy of our country, and that which touches on the heart of the economy touches on the body of the people, and that which touches the people touches this Government, and this is why we are committed to dealing with public servants who have worked tirelessly and faithfully in serving the public and the people of Trinidad and Tobago. This is why we did not only address the question of the old age or the senior citizens' pension, but we addressed the issue of the public officers' pension and the whole question of improving the allowances.

We, from this point of view, are blessed by astute leadership in our Prime Minister, Mrs. Kamla Persad-Bissessar, who has displayed since coming into office, that she not only listens to the people, but is a leader who is proactive in terms of cooperating with the stakeholders within our national community, and as a result, is prepared to meet and address the challenges of our people. Unlike the former administrations which had prime ministers in relation to the PNM, who failed to appreciate and understand the sacrifices of not only our citizens and public officers, but they failed to understand the importance of creating an environment to address the critical health needs of our children. This is why, today, we passed the Children's Life Fund and we committed ourselves through salary cuts to ensure that it has a financial foundation.

As a result of the successful passage of this particular Bill, it will become an Act and avenues will be provided to create incentives so that the national community could continue to contribute towards the issue of children's development and addressing critical health issues in Trinidad and Tobago. We continue to work in the interest of all the stakeholders—and this is why we are giving legal teeth to what we want to do—and we want to ensure that, from a fiscal point of view, in this Finance (No. 2) Bill, 2010.

Mr. Speaker, the programmes and initiatives that were initiated by those on the other side when they were in office, did not resonate or redound to the benefit of the wider community. Was the church at Guanapo in the senior citizens and the public officers' interest? Was the palace at St. Ann's in the people's interest? Was the most expensive national flag in the world in people's interest?
Hon. Members: No!

Hon. R. Indarsingh: Mr. Speaker, we come from a sense of understanding and a value system, where we understand the importance in our different constituencies of honouring our mothers and fathers so that our days may be blessed and long on this earth. [Desk thumping]

Hon. Member: Well said.

Hon. R. Indarsingh: We are committed to the respect of our elders, and perhaps this is the most universal practice in terms of a cultural and a religious point of view. This is what this Finance Bill is about in relation to how we have dealt with the elderly, and we have dealt with those in the national community. It is not the People's Partnership Government which attempted to terrorize senior citizens through the imposition of the draconian property tax which threatened the very sanctity of senior citizens' homes. The thrust of their draconian piece of legislation was to take away the homes of our elders and senior citizens, if they were allowed to get back into office based on the approach of this particular or that past administration.

Dr. Browne: Thank you, Member, for giving way. This is not to seek to revitalize that entire debate because I think the population has formed an issue on it. But just the way you are characterizing it, Member for Couva South, I think you would have been attentive at that period and recognized that exceptions were created, specifically for senior citizens and citizens in vulnerable circumstances. So just for your own clarity on the matter—you can feel free to elaborate—there were specific exceptions for the same categories of citizens that you are referring to now, with regard to the proposals for the property tax.

Hon. R. Indarsingh: Mr. Speaker, the Member for Diego Martin Central must fully understand that it was a draconian piece of legislation. At that point in time, it was a vicious piece of legislation which really intimidated the citizens of the country, and it played a pivotal role in your being voted out of office [Desk thumping] based on the approach you had in dealing with the people and citizens of the country, Member for Diego Martin Central.

Mr. Speaker, the Finance Bill is also about cleaning up the environment and to address the issues of improved tax collection to support alternative energy use amongst the other initiatives which have been clearly spelt out or piloted by the Minister of Finance and my colleagues here this evening. The incentive packages as it relates to alternative energy fuels in relation to CNG are designed to help reduce our carbon footprint, and the successful implementation of such
progressive policies would only serve to create a better country for our children. This Bill is significantly important in securing sustainable living standards for future generations in Trinidad and Tobago.

So given what I have said, this piece of legislation is very important and critical, as it provides the launching pad to take root in relation to the fiscal measures which have been presented in our first budget presentation. There will be many more progressive budget presentations and fiscal packages in this august Chamber from the People's Partnership Government, as we move on a pathway of development and growth, and in saving Trinidad and Tobago from an economic perspective, from a development perspective and rescuing Trinidad and Tobago from the failed fiscal and economic policies of the PNM for the last nine years.

I thank you, Mr. Speaker. [Desk thumping]

Dr. Amery Browne (Diego Martin Central): Thank you, Mr. Speaker for the opportunity to make a brief intervention in this debate with regard to the Finance Bill, 2010. [Interruption]

Dr. Rowley: You have 75 minutes.

Dr. A. Browne: Mr. Speaker, I take my lead from my leader and he has indicated a full 75 minutes of contribution. Seriously, I have listened attentively to every single contribution thus far on this piece of legislation, starting with the hon. Minister of Finance introducing it, and I also listened attentively to the very last speaker, the distinguished Member for Couva South. I am not the only one who has been listening to this Bill. The citizens of Trinidad and Tobago are paying attention, I am sure we are all aware, both via radio and television and I believe the citizens are asking us a question here today: are we listening to them? We look at the Bill itself and we look at all the other pieces of legislation that the Government has brought to this honourable House thus far in their six months in office, and I believe it is fair at this stage to ask of them, the same question they asked of us: are you really responding to these basic needs of persons? That was the mandate to which we—[Interruption]

Hon. Members: The answer the yes.

Dr. A. Browne: Now, Member for Caroni East, I know you rock in your chair, say yes and smile broadly, but when you look at the state of mind of our citizens today, you look at any newspaper—even in the Newsday you would recognize that not all of our citizens are in agreement with you. In my view—you may disagree with my view—the majority of citizens in this country are forming the
opinion that the Government is not responding—[Interruption]

Mr. Peters: Check the MORI poll.

Dr. A. Browne: That is outdated, Sir. Do one today.

Mr. Speaker: Order!

Dr. A. Browne:—to the basic needs of the citizens. Do you know what the two major concerns of our citizens are today? You see, you are saying you are responding, but you do not even know what the two major concerns are. The number one concern—and I am not just speaking to the Member for Caroni East, because he is learned and has been here before—of citizens is the issue of crime and violence in our beautiful nation. This is number one.

Mr. Speaker, the other major concern at this time is the state of the economy of Trinidad and Tobago. We are hearing the Minister of Finance responding on various occasions and, clearly, he is struggling to come to terms with the enormity of the task that has fallen on his shoulders. With the issue of crime and violence, I am afraid there has been a ghastly silence on the other side. All we are hearing is what they are removing; what they are dismantling; the experienced officers they are dismissing, firing or allowing to leave. We are not hearing any concrete plans to treat with crime and violence, and I know there are colleagues on the other side who were very passionate on this issue before May 24 and I respect their passion in that regard. They are still passionate, but now they are silent. That is the difference. So the citizens, who are also listening, are also looking on and they are concerned. Are we are really, really responding to them?

There has been a lot of very heavy political trading and heavy calibre exchanges, but I do not think the majority of citizens outside of an election season are concerned about PNM, UNC, COP, TOP—what is Cadiz?

Hon. Members: UNC.

Dr. A. Browne: Since when? Anyway, you have your own version. The citizens are not really concerned about all of those issues: who came first, who came second, who came third, et cetera. What they know today in both Tobago and Trinidad is that they have very real challenges and are monitoring the Government. So it is your responsibility now to see if they are responding.

I gave those two major issues and I am indicating that certainly on the issue of crime and violence, the Government has been doing very little. I think the
only major achievement thus far was a successful recruiting of two Canadian individuals, and I will talk a little more on that later on.

9.30 p.m.

Mr. Peters: “All yu” caused that.

Dr. A. Browne: It is a success; you should smile. If you are denying that, what do you have to say? What has happened in this country over the last week—and you can extend it to the last nine days—is not something someone should smile and shrug off. [Interruption] You are shrugging it off. You are now the Government of the country and people are looking to you for answers. [Interruption] I recall, in the brief two and a half years that I sat on the other side—Mr. Speaker, the Member for Mayaro is doing what he does well.

Mr. Speaker: Hon. Members, dinner has arrived and we will continue to sit, but those desirous of consuming dinner can, in an orderly way, escape and return. I do not want to suspend for that purpose. Dinner is available. Sorry to interrupt you. That is injury time; you will get back your time.

Dr. A. Browne: Mr. Speaker, you are both kind to me and to the Member for Mayaro. I thank you on my behalf and on his behalf.

We listened to the Government. We detect the emergence of arrogance in some of them; not all of them. I would not accuse the Member for Tunapuna of arrogance at all, but some of his colleagues have been demonstrating those characteristics in large abundance.

Let us remember that they came in promising the magic of change in all aspects of life, particularly the area of crime and violence. They promised the country that and they were voted for and are now in charge of delivering. What they are delivering to you—and you listen to the contributions today in large part; there were some exceptions—was almost like a back-in-times party that they are having on that side, reminiscing. There was talk about the 1990s and the PNM.

The country is asking for solutions, solutions, solutions; results, results, results and delivery, delivery, delivery and all that they are able to see is PNM, PNM, PNM. Mr. Speaker, that battery or engine, whatever they are driving across there, must run out. The currency of that approach will evaporate because citizens are shaking their heads in wonderment: Is this what they voted for? Is this what they deserve?

As someone said earlier, it may be early days yet. I do not think that six
months are early to see real results on those two major issues. You talk to the Chamber of Commerce; you talk to any of the captains of private industry in this country and they are warning the Government that more must be done.

On the issue of crime and violence, the record is not an encouraging one. It is very discouraging. The Member for D'Abadie/O'Meara, in his usual style, is interrupting, launching back into the PNM and comparing week by week. You are now the Government of Trinidad and Tobago. The responsibility is yours. We have heard nothing so far. We have seen no legislation so far in six months to treat with the major issues and they “steups”.

The citizens are looking and listening; both in Tobago and Trinidad. I asked the question last time, Mr. Speaker, which I believe was further magnified by other speakers including the Leader of the Opposition: Where are those critical pieces of anticrime legislation? Everything seems to be promoted above that.

Mr. Roberts: You have gone back there, again?

Dr. A. Browne: That is the reality facing the citizens and they are asking those questions. We as Members of Parliament have to respond. [Interruption] I will come to the Children’s Life Fund as well. It seems that is their only piece of delivery so far, but bear in mind that every child who has been assisted so far, one, has been assisted by mechanisms that the current government met in place; and, two, when you look at what they promised to deliver with regard to the Children’s Life Fund—I thought this was very interesting—within their 120-day plan, we see the sentence:

“...a LIFE fund for...surgery for children...This Fund will be administered by an independent board, in a fair, equitable...manner”.

Mr. Speaker, when you look at the Bill and you see that in clause 5 every single member is appointed by the Government and in clause 14, the Minister is giving directions in writing with respect to the performance of the functions of the board and the Minister instructing the CEO as well as the Chairman, I wonder if that can be characterized as the delivery of an independent board to administer that fund.

So they asked for a response on that and there are residual concerns, but that is not one of the top issues concerning citizens at this time. Relying on that alone will not get you far. Your battery will die. So the questions citizens are asking and responding to—[Interruption] Yes. Do they feel safer today than at the beginning of the year?

Mr. Roberts: Yes.
Dr. A. Browne: One citizen feels safer and I am tempted to get into the issue of his safety, but I would not. We know. We look at the newspapers and we look at the letters to the editors. We know that citizens outside this Chamber are not feeling safer.

Are citizens wealthier? Do they feel their jobs are more secure today? We see the job losses, and they have been chronicled on this side by some of my colleagues. I do not know if it has been acknowledged on the other side. Are the citizens getting paid on time; people in OJT and the reforestation programme? The litany of complaints has continued. When we talk about income, revenue, etc., people are listening keenly for the issues that touch them directly. They are listening very keenly and I am afraid they are hearing lots of heavy academic discussions and endless politics, but they are not really being touched where they want to be touched.

Those on the other side were very good at touching people in their hearts while campaigning before May 24, 2010. They have not been doing as well after. That is why we are getting a lot of the distractions and the interruptions as well. [Interruption] The truth causes pain sometimes and it is all part of this process. I understand the Member for D'Abadie/O'Meara and I understand colleagues on the other side.

Are citizens investing or purchasing more at this time than at the beginning of the year? Absolutely not! That has already been demonstrated. Things are grinding to a halt in many respects and the challenge is enormous for those to whom we have entrusted the mechanisms of State.

I even saw some correspondence where a number of citizens were feeling a bit nostalgic for one Mr. Basdeo Panday. Mr. Speaker, I was shocked. Is that what we have come to in this country? It is very interesting.

I got a little note from a Member on the other side. I was so surprised to see that one:

Life is full of surprises. Never allow anything to surprise you. Time reveals all. At this time it is no different.

He may have been referring to something else—he knows what he is referring to—but I think that the citizens of this country have been truly surprised at the lack of delivery and performance on their major concerns.

The questions are serious. Where is the Government taking this nation? What is the plan for the citizens of Trinidad and Tobago? What are the plans for
the development of this nation? What is the vision of this constellation of parties? What is the plan for crime? Silence. The Member for Lopinot/Bon Air West does his little grumbling, but there is silence.

We look at their manifesto. This is under the 120-day plan. Have 120 days elapsed? Yes, certainly; long ago. No. 11:

“We will prepare an immediate action plan for containing activities and reducing the number of murders…”

I see no plan. I have seen no activities by the Government. We have seen lots of criminal activities and we have seen no reduction in the number of murders.

They went on to say—and they have always been boasting about this; I am glad we have kept this manifesto—that the first phase will be from June 2010 to December 2010. We have almost come to the conclusion of the first phase of the plan, but guess what? There is no plan and they have not even expressed any remorse to the citizens or justified or explained what is going on. Amazing!

They went on to say some other things. I was struck by another component of this 120-day plan, No. 16:

“We will strengthen the National Security Council to link intelligence gathering and assessment with strategy and execution in crime fighting.”

Mr. Speaker, do you know what has happened in that regard? Click. The switch is off; the units have been disbanded and there is silence out there. It is a free-for-all with regard to those kinds of high level criminal activity, organized crime, gang activity, et cetera. This is very serious and all related to the major concerns.

So what is the plan for crime? It does not exist. What is the plan for the economy? Well, we hear the Minister of Finance trying to piece things together presentation after presentation. We wish him well in that regard because all our futures are dependent on some success in that regard.

I have not detected any notes of confidence from those that the nation tend to listen to, the captains of industry, the heads of the chambers and we are monitoring the opinions of the hon. Leader of the Opposition as well. There is still a lot of work to be done in restoring any confidence in the economy and we continue to hold out that that confidence was shaken in part by some very misleading statements from those on the other side.

What is the plan for diversification? What is the plan for constructing more houses for our citizens? These are things the people are concerned about.
They are hearing nothing in that regard. What is the plan for the public servant?

I was amazed to hear a distinguished Member say, not tongue in cheek, because he is someone that I have admired in his former role as a union leader, the distinguished Member for Couva South, I could not believe, was boasting about his Government's interface with public servants and their representatives. This was shocking, coming in the like of more public servants than I have seen, certainly in my time in public life, marching up and down on the streets lamenting. Do you know what they call it? An insult to the workers. That is something the Government has to respond to.

I hear there are all sorts of whisperings on the other side, but they need to come to the population and restore confidence. Let us know that they have a plan for our public servants, something that they can accept as respectful and not as an insult.

Member for Couva South, I have a few more kind words for you as well in that regard. What is that plan for the penal system? What is the plan for gangs and gang activity? Does it include frequent roadblocks at various points? We had seen that at one point, but that has disappeared now and the Government has proposals to ratchet up some of those innovative activities designed to make life more uncomfortable for criminals, gang members, drug smugglers, et cetera. We are not seeing them implementing any of these things. However, they are coming here and finding opportunities to beat their chests and boast, et cetera. The citizens are watching and listening and I do not think they are very encouraged by anything they have seen thus far.

It is not a matter of party or anything like that. They have a responsibility. We have a responsibility and we are being monitored by those on the outside of this Chamber.

The Government does appear to be visionless in large measure; plan less and rudderless, but I hope they are not beyond salvage. The only plan I have seen so far is a carnival plan and I do not know if the Member for Mayaro will be speaking on any Bill in this House in the future. He certainly has been very quiet except for the crosstalk. However, the Member for Arouca/Maloney is informing us of a government policy or plan for carnival every three months. I do not know how many of our citizens' issues that will solve, but I am shocked. I would want to hear the word of the Minister of Arts and Multiculturalism before I go any further with that line. He needs to debunk that foolishness.
I was shocked earlier today with the remarks of the hon. Minister of Finance for whom I have great respect. However, when he was introducing his Bill, he said, and I hope I have gotten the quote right: I will take the tears for today and expect the applause tomorrow.

9.45 p.m.

Mr. Speaker, this is a Minister of Government speaking to the citizens of the country, basically saying: “Cry if you want, hopefully I would have you clapping in the future. I will take your tears and hope for applause tomorrow.” These are his words, right here in the Hansard. I stand to be corrected, but this is what I wrote. Where is the sympathy? Where is the caring? Where is the concern? Where has the talk about serving the people gone? Cry your cry public servants. All the top-ranking persons they have dismissed, sometimes publicly, in my opinion, in a very disrespectful manner. We will take your tears today and hope for your applause tomorrow. Fortunately, the citizens of this country have very long memories, and they are waking up. They are much more attentive than they were previously, and they will be holding the team in office to account. They would also be holding the Opposition to account as well. Where has the dynamism gone to meet the basic needs of the people? What we are seeing is arrogance in some areas: chest-beating, PR and posturing public relations. I ask the Government: why are you squandering the mandate that was so generously given to you by the citizens of this country?

Again, I am referring to the Member for Mayaro a lot. I remember about a year ago, Member for Mayaro, we had a ceremony right here in this Chamber and he smiled across and said: “You never know what the future can hold.” Your team might be on this side quicker than you feel. Today, I reminded him of those very words, because I saw some of those on the other side beating their chests and smiling, and the echo is still here in this room. Be careful, because you may end up on this side much quicker than you feel, if you fail to respond to the needs of the citizens.

I commend to you the words of the hon. Member for Mayaro; just a few words of response, with regard to the Member for Chaguanas East, who seems to have taken his leave of us already. The Member for Chaguanas East spoke very early in the debate. He started off by saying that today was the saddest day in his life, because he had to listen to his Prime Minister defend herself and he reminded us that she is a mother, a sister, a granny, an aunt, a nice lady, et cetera. I was genuinely shocked, because I would have thought his darkest day would have been the day his Government presided over 26 murders in a nine-day span. The
Member for Chaguanas East, of all persons in this Chamber, should be pounding the pavements in support of the real mothers, sisters, brothers and others whom we are losing at a record rate in our country today. If that is what is causing him sadness, I wonder how he feels when he looks at the *Express*, the *Guardian* and the other newspapers. I really wonder. I guess he is a bit disturbed. Do you know who else is disturbed? It is our newest Canadian millionaire—we have had a few in the past—Mr. Gibbs, the Commissioner of Police. He also said that he is disturbed. That is his response to the massive spate of murders and killings. We had four in the last 24 hours and 26 in nine days. The Government has found no scope in all of these deliberations, and hours of debate, to even respond or express remorse for that spike. They may be hoping that it is an aberration just like the Commissioner of Police. The call is for the Government, in the middle of all of this, to stop, pause, reassess and treat this situation as an emergency.

Certainly, with regard to the parliamentary agenda, there is no one on that side who can say that, with regard to Bills brought to this House, they have been treating crime as an emergency. When we look at what is being done with our national security apparatus, I do not think any reasonable citizen will conclude that their treatment of that apparatus is an emergency approach or response. Maybe their approach is causing more of an emergency than anything else. The citizens must be concerned about these issues.

The Member for Chaguanas East kept repeating that six months is too short to turn anything around. I believe it was the Member for Port of Spain South who said that sounded very familiar, and the Member for Diego Martin North East as well. It really takes us back in time to the 1980s when another government—the NAR at that time, that was their anthem with regard to the PNM. They said one year was too short and two years were too short, and before they finished their anthem, they were out of office. “Back in times party”. I hope this Government is not going to stretch that line of argument in front of the citizens and hope for—I do not want to say a full term—any prolonged extension of the office that they now enjoy.

I did not tell the Member for Chaguanas East, when he said six months is too short to turn anything around to turn his 120-day plan with all these grandiose promises about crime and immediate response plans from June. I did not tell him to do that. Did we tell him to create false expectation in our population with regard to this very issue that is touching them in their hearts today about crime and violence being reduced?
While they travel all over the world and they take pictures with very famous people—we know the name, we do not have to get into the names Julia Roberts, I believe, was one of them. I saw a picture with Cher and I felt a tinge of pride because here was our Prime Minister with famous people. A tinge of pride that any citizen would feel would be extinguished when they pick up the newspaper and they realize that while we are enjoying ourselves with celebrities abroad, there is a national crisis on our hands. We are looking to the Government for answers. Those answers have not been forthcoming. I am hearing those in the back, not resisting the temptation to go back, only PNM, PNM, PNM. You are the Government. You were elected. You have a responsibility. Clearly, you have no answers as well. There must be a concern.

Member for Chaguanas West, you taught us well. That is all I can tell you. There are some things we would not learn from the Member for Chaguanas West. [Interruption]

Hon. Member: What are those?

Dr. A. Browne: I will resist the temptation. [Interruption] Is that a threat? I will resist the temptation. Mr. Speaker, I realize that the Members on the other side are trying to engage me directly. I will ignore them and I will refer to you.

While they travel all over the world, they have nothing to deal with the major issues touching the citizens. They need to tell the nation how this Finance (No. 2) Bill, or any Bill they have brought in their six months, assists, the society to deal with the priority of the citizens; not the priority of the UNC or any political party; the priority of the citizens. The Government has proven, every day so far, that they are totally disconnected from the citizens of Trinidad and Tobago. There is a complete disconnect.

Let me tell you a little secret. If you won an election on May 24, 2010, people are already tired of your comparing, complaining and constant referencing to PNM talk, et cetera. It is time to start running the country and time to stop campaigning. It is time to start running the country and time to stop running away from it.

The Member the Caroni East, another very distinguished and experienced Member, boasted that he was proud of a government that has responded to the plight of the public servants. Again, just like the Member for Couva South, I cannot even understand such a boast, when comrades in the trade sector are lamenting on a daily basis, and putting our aide memoire, correspondence, et cetera, outlining an insult that they have recognized coming from this very young
Government, not young in all respects, but very new Government. This is their initial response to a sector they courted, seduced and embraced in the months leading up to the general election. I do not understand how they can be boasting about responding to the plight of the public servants. When you talk to the public servants, they are lamenting about the insults that they are receiving from this Government. It is a disconnect once again.

You listen to them on the other side and they are further demonstrating that disconnect. He has boasted that his Government feels the pain of the public servants. Can you imagine? When you look at what the unions are saying, they have been comparing the retail price index increase, 33.5 per cent, to October 2010. They are saying that it is clear that the CPO’s offer, endorsed by the Minister of Finance, will result in a significant loss to workers’ real income. The Government seems to be asking workers, and the labour sector, to suffer a significant loss in their real income. They are saying that is unfair. They are also saying that it would be inequitable if workers are made to accept such a loss, and other sections of the national community are not really being asked to do the same. That is the reality with their offer of an increase of 0 per cent, 0 per cent, 0 per cent. We stay tuned for further development in that particular regard.

The Member for Caroni East tried to blame, amazingly, the PNM, for the very inept NAR debacle of the late 1980s, shockingly. I guess he is trying to make a case that the NAR governed the country well in the late 1980s. Many of them were a part of that very notorious team that was in charge of this country at that time, forgetting the fact that when the then administration demitted office, I believe it was in 1995, there were financial reserves of $1.1billion. It may not sound like much today, but that was a lot of money in 1985. [Interruption] You were a part of it? Because the Member for Tabaquite was part of that government, I withdraw the word “notorious”—calm down—and I say infamous. In a few months, Trinidad and Tobago was engaging in all sorts of reckless experiments and those who paid the highest price were, think about it, the public servants, lower income persons, and middle income persons; the same people who are crying into the ears of this same Government today; very, very interesting. We see some of the same characters on the other side.

Member for Caroni East, I continue in response to you, because I would really want to ask: where are the innovative and creative solutions for treating with those very issues that the citizens are asking about? Where is the ingenuity in treating with crime? Where are the new initiatives? Where are the Edmonton solutions? We are paying a lot of money for these folks. What have they really
brought to the table? We are paying millions of dollars?

Our new commissioner did not even head the Edmonton Police Force, and no Canadian we have spoken to has ever even heard of the gentleman or his partner in service. I hope that they will step up their duties. Before, it was all about Martin Joseph and the then Commissioner, James Philbert; lots of talk. The media was very vocal in that regard. The Opposition, the Member for Chaguanas East and all the others were giving us a running tally every week of the murder toll and calling out names of people killed. Do you know what they were calling for then? They were calling for immediate and emergency action. They have the opportunity. They were duly and democratically elected. They sat here for six months, beating their chests about all sorts of minor things. They have not taken the same immediate, urgent and emergency action they were crying for and for which they were elected. Take note, the citizens are looking and listening.

This brings me right on to the very—[Interruption]

Dr. Gopeesingh: Thank you Member for Diego Martin Central, for giving way. Are you questioning then the method of selection that was used and your government agreed to, at the time, on the selection of the post for the person for the Commissioner of Police, which was agreed to between both the government at that time and the Opposition? Are you questioning that? Are you saying that you do not agree with it?

Dr. A. Browne: Again, the Member for Caroni East is demonstrating his penchant for the past.

10.00 p.m.

The fact of the matter is, however, these gentlemen arrived in this land, they are here. [Interruption] Mr. Speaker, I am speaking to you, not the Member for D'Abadie/O'Meara. However, the gentlemen have arrived and the Government has a responsibility to extract results from them. We, the taxpayers, are paying an enormous amount of money for their services. So, just talking about the mechanism of their recruitment is not going to comfort any citizen in Trinidad and Tobago.

We are seeing blood on our streets. We want results, and those are the results you campaigned on. With all due respect to the Member for Caroni East, I do not think that is going to comfort anyone in that line of argument. They are trying to distract me from the Member for Couva South who is a very nice chap and very straightforward. I do not think he is a bad person at all.
He must feel very bad about the approach of his colleagues in Government to the public sector workers. His heart probably bleeds as his other very distinguished colleague from the trade union movement marching against his very Government.

Dr. Rambachan: What did you do?

Dr. A. Browne: If you forget the past, you will repeat the same mistakes, but if you live in the past you will never achieve anything at all. They are living in the past.

The Member for Couva South is honest. We had a very direct question from the Member for Diego Martin West and the Member for Couva South knows that with all his smoke and mirrors and avoidance on the EU grant, they cannot give it to the cane farmers. You know, in all his honesty and his distinguished record, he was unable to give a direct response to a very simple question. I want to help him by breaking down the question in two simple components. Did you promise the cane farmers the EU grant fund? That is a simple question. That is a yes or no question. Secondly, we know the answer to that first question is, yes. This was demonstrated by the Leader of the Opposition. The second part is, can you now provide those funds to the cane farmers. There is nothing more simple than that.

When the question was asked, he launched into a tirade about the PNM’s abuse of the labour sector. How is that going to comfort any cane farmer that is listening to his voice? I want to advise him, very quietly, that when he goes down there to talk to them, he needs to go with the Minister of Food Production, Land and Marine Affairs. Perhaps, between the two of them, they could do a little tag team and distract the cane farmers a little. I do not think that they can fool them for very long. They have been following this issue for years. They have been misled by those on the other side for years, and now it has come to the breaking point; not a cent for them. That is the reality! I do not know how the Government is going to treat with that one, further than the smoke and mirrors we see on the other side. So the cane farmers have joined the other sectors of the society that are shocked, misled and disappointed by this caring new Government in power. They are not going to get what they were promised.

The Member for Tunapuna offered a very wise quotation; when something is the truth it will always be the truth. I do not think that I am misquoting you at all. I know you have many further truths for us, but in your own good time you will share some of those. When something is the truth, it will always be the truth.
I hear many Members boasting about the Government's treatment of senior citizens in Trinidad and Tobago. You can square that quotation with when something is the truth it will always be the truth, against their early record with regard to senior citizens.

Mr. Speaker, the evidence has already been presented and it is on the Hansard of a conspiracy to deceive those over 60 years in Trinidad and Tobago. It is already there. The Government has not responded in a forthright way to that matter, so to come further now and remind us of that matter and then boast about it, I think, really, it must be very disappointing to every single citizen over 60 years. You know, some Members on both sides may qualify in that regard. I hope I have the fortune to live that long myself.

The Government has not acted responsibly in this matter. The Member for Tunapuna is talking about the truth and I really want to ask him, can you handle the truth on this matter? It is not a personal question to him, but for the Government of which he is a very important part. The record is very clear.

First of all, they advertised intensely in the week leading up to campaign that everyone over 60 years will get particular benefits. We have a Member coming who will give further details on that matter. We have gone through this before, but they want to talk about the truth now. You cannot hide from it. They want to talk about the truth, but I do not think that they can handle the truth.

The first response, when confronted with the evidence, was that there was a misprint. They sent their agents all over on the Internet spreading this issue of a misprint. They were confronted with a series of ads, different ads, giving the same information. Initially, you will remember the Prime Minister denied saying anything about age 60 years to the population. Mr. Speaker, they say they want the truth, but they cannot handle the truth. After being confronted with all of this, they indicated that they had discovered the perpetrator, the person who deceived 160,000 persons over the age of 60. It was a gentleman by the name of Mr. Ernie Ross who had deceived our seniors. They want to talk about the truth, they cannot handle the truth.

When we drill down further, it was a very painstaking process. These were the words of the Prime Minister; the untouchable one herself. I say untouchable, because when you disagree with that Member, the Ministers will attack you and even try sometimes to use your own religion against you, and we have seen examples of that.

The untouchable one was discovered after many months of denial after
denial. It was not even Mr. Ross who was at fault, but they found an even lower level person to pin with the blame for deceiving 160,000 senior citizens. It was a certain creative director, a staff member, whom the Government wants to hold responsible for deceiving an entire segment of the national community.

On that day, I asked the hon. Prime Minister, after all those investigations—she has been calling names all over the place. She found out the name—to comfort the senior citizens by letting them know the truth. You cared enough to get the detail. Who was that person? Who is that creative director at Ross Advertising who perpetrated this horrific act against seniors over 60? Do you know what? She sat and smiled in silence, and the Government is silent. They do not know. The reason they do not know is that they do not care to know. They consider this a buried issue. They have deflected and threw up their smoke and mirrors long enough, and they have never expressed remorse. They never apologized or even acknowledged they had a role in manipulating this prior to the election. They are now boasting about delivery to these same senior citizens. It is shocking; it is appalling; and it is unacceptable to any right-thinking citizen of this country.

The Opposition will continue to reject this foolishness. When they bring subsequent Bills and attempt to extract some values from this issue, we will have to continue to reject the Government posture on this matter. Mr. Speaker, they say they want the truth, they cannot handle the truth. That is very disappointing for our senior citizens.

To this Government, I say, you really cannot come across and say that you have kept your word to senior citizens when every citizen, junior and senior, is fully aware that you have deceived those over 60 years.

So, this Finance Bill, the way it was presented by some of the speakers who have delivered on the other side, is another slap in the face. It is a poor reminder of a callous, arrogant and unrepentant approach that has been brought to bear on this pension issue. It really reminds me of what happened at a television station recently, when a staff member was attacked live on air. People were waiting for some demonstration of contrition or remorse from Members of the Government. Do you know what the response was? A Minister said afterward, I am disheartened by the response of the society to the interview. What? Amazing!

Mr. Speaker: Hon. Members, the speaking time of the hon. Member has expired.

Motion made, That the hon. Member's speaking time be extended by 30
minutes. [Miss M. Mc Donald]

*Question put and agreed to.*

**Dr. A. Browne:** Thank you, Mr. Speaker and I thank all generous Members of the House for the extension. I was saying that their response to the pension issue really reminded me of the response on this other matter, especially when a Minister would say after that debacle; I am disheartened by the response of society to the interview. I really wonder, is that the formula of this Government to create a crisis and then lament about how citizens are responding to the crisis that they created.

The good Minister went on to say, I thought I had a very intelligent discussion with Mr. Mohammed on air that day. In fact, it was a very pleasant interview. Mr. Speaker, when we talk about a disconnect from reality, I would not dwell on that any further. That is a manifested demonstration of a complete and total disconnect from reality. If that could be considered an intelligent discussion, we can be disheartened not by what happened, but by the response of society to what happened. Amazing!

In the same manner, Mr. Gibbs was disturbed by what has been happening. I just want to remind Mr. Gibbs and those on the other side that not all of those 26 persons can be considered criminals. In fact, some of them were hard-working honest citizens of Trinidad and Tobago. I have already received communication from one family member who has lost someone among that statistics and who said do not allow anyone to paint those losses of lives as criminal losses. They are hard-working and honest citizens who find themselves at the onslaught that the Government is not responding to.

The former mayor is disheartened; the Commissioner of Police is disturbed; the Prime Minister is dancing between the issues and the citizens are disappointed, distraught, dejected and becoming desperate for a new Government or, at least, new governance from this Government. They are still hoping for that.

This Finance Bill has a context. This Parliament has a landscape and all our activities must be grounded in and driven by the realities that are around us in Trinidad and Tobago.

The prison service officers, when they learnt about the amendments to the Prison Service Act in this Bill, do you know what they started asking about? It is not what the Government has chosen to include as a clause here, but they were wondering if the Government was finally finding a way to treat with the injustice
that they have been suffering, and the way the Government has been treating them unjustly, as well as the way they have been treating their peers in the coast guard; defence force and fire service, et cetera. Do you know what they are saying? They serve too; they protect as well; they are risking their lives every day and where is their special allowance? We serve and we protect as well, and we are risking our lives every day in addition to those who, I think, got their first tranche in November after many months of waiting.

The Finance Bill amends the Judges Salaries and the Pensions Act, and members of the Judiciary and those who are observing the Judiciary, may not have been familiar with the issue as contained in the clause of the Bill, but were really asking, when the Government will we be treating with the Judiciary and the police service in a forthright manner to make them safer in their homes and on the streets? That is another commitment of this Government and we await further updates from those on the other side.

10.15 p.m.

They would fling that saga about the death crisis after every brutal murder in the country. I am sure we remember those days, because they were not very long ago.

When a Government Minister speaks it must be considered Government policy. They said that the State would start killing people by August 2010. [Interruption] You did not hear when they said that? It was the hon. Member for Chaguanas West, batting way outside of his crease, who made that declaration to Trinidad and Tobago—August 2010. We are coming to the end of November 2010. Do you know what there has been between August and now? Complete and total silence.

Then we had the Minister of Justice telling the nation that he was pushing for public executions in Trinidad and Tobago at 6.00 a.m. There has been silence after that. Could you imagine that in the Caribbean region, a Minister of Justice making that kind of declaration, never withdrawing it, never apologizing to citizens? His colleagues in Government seem very comfortable with those kinds of pronouncements.

Some people thought that this Bill might have provided some funding for the implementation of those grandiose promises or issues of deflection or for the immediate crime plan; none of that exists, none of that is forthcoming.

There are people who thought that this Bill would have given some relief via an increase in the Disability Assistance Grant. Members of the disabled
community have been corresponding with the Government prior to the election; I can tell you that. They also corresponded subsequently and seeing senior citizens—not that they are jealous or grudging the senior citizens their increase, but they are telling the Government that the seniors have gotten several subsequent increases, would they, at least, consider some treatment of the Disability Assistant Grant, in addition to all the other programmes that are continuing and being expanded on the other side. I am sure the hon. Member for Caroni Central would be hearing their cries and we are hoping for some fair treatment of that issue in the future as well.

Those are some of the genuine concerns that citizens have been expressing. When they heard there was a Finance Bill, members of the public who were—[Interruption] Well, I am just doing my job, Member for Oropouche West.

Mr. Speaker, I am not going to dwell on the Member for Princes Town at all. I believe it was her maiden contribution and I also believe that she did very well. I am not going to treat with it, except to say, to quote her actually, because she said—[Interruption] The Member for Princes Town; you are not paying attention to your own Members, Member for Oropouche East. She said that her Government has achieved a lot for the citizens of Trinidad and Tobago in a very short time. She did not give us a list of those achievements, but—[Interruption] Where were you when I was talking about Couva South?

She said that Government had achieved a lot for the citizens of Trinidad and Tobago. She did not elaborate, but she failed, like her colleagues, to recognize that citizens are far from satisfied with their performance thus far, with our performance, the governance of Trinidad and Tobago during this period. They are not satisfied with the state of the nation, the state of Trinidad and Tobago today. The Government has to begin to respond to that.

The country turned to the PNM and they felt disappointed over time and that is why we had the results that we did. They were disappointed for various reasons; now they have turned to a constellation of parties. Do you know what? They are beginning to express, very loud, very clear and very vocal disappointment. Some in the Government are not hearing that at all and the warning that is going across is that if you do not hear, you will feel. You have to listen to the citizens.

My experience is very new. There are others who have been here a long, long time and they would tell those on the other side. Member for Caroni Central, we all have hope for you, but the arrogance, the chest beating, the callous nature
of their pronouncements is shocking sometimes.

So they turned to this constellation on the other side, but they are already totally disappointed with your performance, your lack of results and your infighting which is demonstrated every single day and they are most fed up with the blame game that is being delivered to citizens. So stop the boasting, stop the chest beating, stop boasting about things you have not done, stop blaming the PNM; stop playing politics with human lives.

The task is theirs, the task is ours, and the task is everyone's in public life. The first thing Members on the other side have to do is to admit that they have not been perfect at all, not at all, and there are so many examples. They have to recognize just how imperfect they are and just how imperfect they have been in office so far. We have seen no demonstration of that whatsoever. The next thing is to demonstrate remorse for your errors and failings and apologize when you make a wrong decision. [Crosstalk]

Dr. Douglas: You have to apologize; you have no shame!

Dr. A. Browne: Hear the arrogance of the Member for Lopinot/Bon Air West. Apologize when you make a wrong decision. [Crosstalk] Mr. Speaker, they want examples; I will give it to them. Members should be heard in silence, Member for Lopinot/Bon Air West, basic respect.

Mr. Speaker, they want the list, let us give them the list. The Fazeer Mohammed issue—I see the Member for Tabaquite squirming in his chair—our defence force personnel and members of the uniformed services and the treatment of their senior staff; the La Brea residents; the Soca Warriors, we do not talk enough about them; the pensioners and the deceit that was handed out to them; the OJTs and reforestation workers; the Clico depositors who feel very, very disappointed in everything they have heard so far; the public servants who have been trampled upon and feel insulted; the cane farmers who were openly deceived; the URP workers who have been dismissed after eight years. They were told that the day they received their letters was the last day that they could physically find themselves on the premises, after eight years in office, and then switching round, back and forth, et cetera, after they were promised in the election campaign that their jobs were safe. Those are the people that the Government needs to demonstrate remorse to and apologize for their errors. [Crosstalk]

The hundreds of thousands of citizens who thought they would be feeling safer on November 24, 2010 than they were feeling on November 24, 2009 and
the hundreds who have lost their family members since the general election campaign. The citizens who now feel exposed as well by the Prime Minister getting rid of those experienced men in uniform and shutting down our intelligence services, making everyone that much more vulnerable. [Crosstalk] It is not just who is who.

The Government is demonstrating how easy it is to become callous, arrogant and boastful while in office. You have to lead by example. We have to lead by example. You must change the pattern of stubbornness and intransigence when mistakes are made. I hope the Member for St. Joseph is listening somewhere. A clear and simple expression of regret and apology is all that is required.

Let me now give you a genuine and sincere example of exactly this. This is my personal position. I am not representing any collective position on this matter. [Crosstalk] Mr. Speaker, I crave your attention. I regret being anywhere in the vicinity of Woodford Square on September 12, 2008 when the real business was taking place inside of this very Chamber. In hindsight I should have remained in the House attending to the people's business. I am sorry that I did not, and I convey similar regrets to the then Commissioner of Police, Mr. James Philbert whose job was very difficult on that particular occasion. Mr. Speaker, clear, simple, no qualification whatsoever; that is my example to this Government.

In closing, the Government has to recognize that they have won an election handsomely; they need to stop campaigning. They need to start running the country and start working on better systems of governance, as the hon. Leader of the Opposition has said many times, and stop focusing on individuals. Start delivering results as opposed to delivering “ol' talk”, time and time and time again. Focus on crime; focus on the economy or else the health sector, the social sector and all the other things the Government might be striving to do are going to collapse. Less foreign travel; stop the boasting; stop the PR and avoid the temptation, as always, to fool the people, fool the people, fool the people.

Mr. Speaker, I thank you.

The Minister of the People (Hon. Dr. Glenn Ramadharsingh): Mr. Speaker, before I begin, let me express my congratulations to the Prime Minister of Trinidad and Tobago for today showing in this Chamber leadership, vision, accountability and the highest levels of integrity, yet imbued with an admirable display of humility. [Desk thumping]

Let me also congratulate the Minister of Finance for managing the
economy with a firm hand, but with a flexible grip, demonstrating an in-depth knowledge of complex economic ecosystems and a financial foreseeability and vision that comes from a man who has served at the highest levels of academia, executive governance and government.

Today makes it exactly six months since the People's Partnership seized the Government of Trinidad and Tobago and set this nation on a path of healing, after the mismanagement and excesses of the previous administration. What a six months it has been for the country and the people of Trinidad and Tobago. A breath of fresh air has blown through the land of Trinidad and Tobago, putting us back on a growth path.

This is not a Government concerned about high-rise buildings, spending billions and making heartless people rich, yet forgetting the principle of serving the people.

In social development we promised mutually agreed policy positions on important issues of concern to the citizens, a new plan of action for the governance and development of Trinidad and Tobago, regardless of race, religion, age, geographical location, sector or party affiliation.

In this new plan of action we promised and we delivered prosperity for all, which saw a parliamentary line-up that convulsed the face of the Parliament into a 29/12 trouncing at the polls. [Desk thumping] We did not sit on our high horses and in ivory towers, like Members of the past regime. We pursued a programme of development for all so that our work ethic would inspire communities to rise up and show that the Government's work would be the flagship for human development.

In this People’s Partnership, our Ministers touched the flesh. We walked the banks of rivers; chased the waves of the south peninsula with water taxis; trekked to Tobago to assist the people, not to be intimidated by anyone. We meet the unions head on; we face dissent; we let people protest, because we believe it is the essence of our democracy and it was the flame of that democracy which caused us to rise into power with the power of the people.

Mr. Speaker, this Government has been up and about this country and at times of danger and natural disaster we have been at the forefront. It was only Saturday that I had the opportunity to share the platform with the hard-working MP for Tabaquite whose people's houses and property were submerged and washed away in the floods. Damages beyond what the Government could
compensate in some cases. For many people, all they had in their homes was ravaged and destroyed. I was happy to share a platform where we could deliver to the people $1.1 million in reimbursement for the damages that occurred. [Desk thumping]

We have been throughout the country in places such as Borde Narve. Many Members in this Chamber from the other side would not even know where that place is. Some of them reach as far as the lighthouse in Port of Spain and sometimes could go no further.

10.30 p.m.

After eight years of inaction we picked up the pieces and tried to put them together. We are trying to move forward with grave resolve to rescue the people who are mercilessly left behind by the last administration, one, by one, by one. We believe that nowhere in Trinidad and Tobago is too far. We believe in the Ministry of the People and Social Development that there are no boundaries, and that is why we have promised that in order to make people feel part of the governance structure of Trinidad and Tobago, we have made an undertaking to go to the most disparate parts of Trinidad and Tobago and include people into the governance of Trinidad and Tobago.

We have recognized the disconnect with the people of Toco who feel, almost, as if they are a part of Tobago. We understand the pain of the people of Icacos who sometimes wonder if they are part of Venezuela. Therefore, this Government proposes to build in the next two or three years, governance centres that would have every single aspect of governance in a centre that will be put in Icacos, that will be put in Toco and Guayaguayare, but we will bring the people of Trinidad and Tobago into the governance structure. [Desk thumping]

Mr. Speaker, I have in my hand the picture of some of the lands [Holds up picture] that have been looked at between the Ministry of Public Administration and the Ministry of the People and Social Development. This is Government in action! This is Government about performance. This is Government for all the people, for the children and for the elderly. We started off as a Government; our first piece of legislation in the Parliament, you will remember, was to reinstate the senior citizens’ pension. As at September 2010, a total of 52,790 senior citizens are benefitting from $3,000 per month. [Desk thumping] All public servants, a minimum of $3,000 a month.

This advanced payment structure allows a number of our senior citizens to enjoy a combined income of $4,000. This is because persons who already have an
income will receive a senior citizens pension which makes their monthly income a total of $4,000. Under the People’s Partnership Government, 20,717 senior citizens benefit from a combined monthly income of $4,000. We did not see the increase in pension, which was a very costly measure at the point in time given the state of our economy, as a single step towards improving the lives of our elderly.

The Ministry of the People and Social Development has been firing up the division of ageing. We have conducted five annual public open forums in Rio Claro, St. Joseph, Palo Seco and Diego Martin. We have opened several activity centres and intend to do several more. All of these forum were overflowing with our senior citizens and I want to tell you, Mr. Speaker, these were not talk shops, we took detailed notes and we have a follow up plan of action. This is about feeding into what the people, what the senior citizens sent, our policymaking machinery. We take senior citizens seriously and I want to tell you, Mr. Speaker, they thank the People's Partnership Government for lifting their income to $3,000 and express hope that we would continue to support them as they march on in the twilight of their lives.

Mr. Speaker, I would like to briefly respond to a few of the comments that were not dealt with by some of my colleagues. Amazingly, the Member for Diego Martin North/East had the temerity to say that in the presentation of the Minister of Finance, there was no mention of fiscal measures. This is absolutely untrue, in fact, the Minister of Finance gave a discourse in economics and prefaced it on local conditions that existed. He examined the threats to the economy, he showed where he put effort into the economy where he had to place safeguards, and he gave a discourse on finance. I am very disappointed that the Member for Diego Martin North/East was not listening. [Interruption] They asked what we did with Clico. What did they do with Clico? They pumped in billions of dollars without a plan and they fiddled while financial Rome was burning.

I have now to come—I want to deal with these things briefly—to the new champion of the cane farmers. [Laughter] Apparently there is a competition between the Member for Diego Martin West and the Member for Diego Martin Central, I know that these areas traditionally have not planted cane, but they are now the new champions of the cane farmers. I would like to go back into the Hansard—and we propose to do that—and see when you ever stood up for the cane farmers in this country, or labour, as my brother from Couva South said a while ago. Your track record on labour relations; you were an anti-labour government. You sought to close all the trade unions and deunionize the people in
Trinidad and Tobago, from BWIA go right back.

**Hon. Member:** Exactly!

**Hon. Dr. G. Ramadharsingh:** The Member for Diego Martin Central has a problem with people smiling, after he makes a problem he says, “The Prime Minister was smiling and the Minister was smiling”. Mr. Minister, it is all right to smile.

**Dr. Browne:** It is MP.

**Hon. Dr. G. Ramadharsingh:** Sorry, former Minister. MP, it is all right to smile. You should not detest people because they want to smile and so on.

He said, “The Member for Caroni East was smiling broadly, the Prime Minister was smiling”. Oh my God—the number one concern of citizens he said is crime and violence. [Interrupt] You know why crime is a problem, Member of Parliament for Diego Martin Central? Because of the PNM! We will deal with it! It will take some time. The Government is doing well on that issue. The state of the economy—do you know why the economy is in a bad state? I know that—I want to remind this MP and probably some of the other MPs who spoke that for the last eight years this country was being run by a government, it was called the People's National Movement and there was a Prime Minister called Patrick Manning. Apparently you all forgot some of that. [Interrupt] He talks about a back—he said that most of the MPs on this side spoke like if they were in a back-in-times party. I remember in the Interception of Communications Bill, the Leader of the Opposition quoted extensively from a former Prime Minister, Mr. Basdeo Panday in 2000, and he is calling the contributions on this side a back-in-times party. Pathetic! Pathetic! [Interrupt]

He comes to the House and he pulls up the Children's Life Fund legislation and he questioned clauses in the Children's Life Fund and says, “The Government is appointing all the people and the Minister can direct the board” and yet when there is the division he supports the Bill. Yet he comes back to the Parliament and attacks the Bill. I cannot understand that type of inconsistency at all.

With regard to the public servants—

**Dr. Browne:** Member, would you give way?

**Hon. Dr. G. Ramadharsingh:** I want to make a few points first—they must go through the collective bargaining process. I know you feel so much for the public
servants, eh, but let not your heart be troubled. I have confidence that the Minister of Finance and the Minister of Labour, Small and Micro Enterprise Development will bring peace to this matter on behalf of the people of Trinidad and Tobago. [Desk thumping]

Before I go, I would like for the benefit of this honourable House to quote something here, and we heard basically the same speech that we have been hearing on every debate from the Member for Diego Martin Central. I want to quote something, he said in the Children's Life Fund debate: “How does a child feel when daddy comes home crying because he was fired because of a lack of funds, when he sees our Prime Minister dancing in New York or taking pictures with Kate Hudson and Julia Roberts?” Did you not hear that tonight?

Hon. Member: Yes.

Hon. Dr. G. Ramadharsingh: This was on the Children’s Life Fund debate at the expense of the taxpayers. [Laughter] Did you mix up your papers or you wrote this again? “A message to the Prime Minister: you were elected to run the country, not run away from it.” Did you hear this tonight?

Hon. Member: [Inaudible]

Hon. Dr. G. Ramadharsingh: Good! Well, I want to tell the Member of Parliament for Diego Martin Central, you had an election to fight, it was called the Local Government Elections 2010 and your duty was to fight it, not run away from it.

Mr. Roberts: Oh God! [Desk thumping]

Hon. Dr. G. Ramadharsingh: You deserted your leader, you deserted your party and you were basking in the sunlight in Europe or somewhere, wherever you went, while the people were fighting elections here and you showed a true concern for the issues of the people. The Member of Parliament for Diego Martin Central does not only stop there, he is also very concerned about public relations and PR. He says, “…how do you think a child will feel going to school on any given week…only to be teased by his or her friends because his…mother is photographed on the front page of the newspaper receiving a welfare benefit from a smirking politician who is obsessed with his own image? We have to think about how those children will feel.”

He says again, later on in his contribution, “In no other country in this hemisphere do poor families have to be subjected to the indignity of receiving from a grinning”—I tell you this “fella” has a problem with laughing, grinning,
smiling broad—“politician in front of dozens of cameras.”

Mr. Roberts: Member for Diego Martin Central, you said that?

Hon. Dr. G. Ramadharsingh: I wonder if he was talking about this. [Holds up picture]

Mr. Roberts: Oooh! [Laughter and desk thumping]

Hon. Member: Burn that! Burn it! [Continuous desk thumping]

Hon. Dr. G. Ramadharsingh: We have about 12 more. These are people—

Dr. Browne: Member, would you give way?

Hon. Member: No, do not give way!

Dr. Browne: But I wish to speak. Member for Caroni Central, would you give way?

Mr. Speaker: Both of you cannot stand.

Hon. Dr. G. Ramadharsingh: Mr. Speaker, as you know I have been—

Dr. Browne: Member for Caroni Central, would you give way?

Hon. Member: No!

Hon. Dr. G. Ramadharsingh:—dissatisfied with the way that the social welfare offices have functioned. For some reason people are of the belief that when you go to social welfare offices there will be somebody grouchy there and they may not have the time and they may not treat with the people in a very friendly manner.

So when I listened to all the programmes and policies that were available in the Ministry, I said, but some of these are good programmes, we need to re-engineer them, reassess them; but why does nobody in the rural communities know of these programmes? It is almost hidden that you can get all this assistance and you can get this health—and if you are going to be kicked out of your apartment because you have no money you could get rent assistance, you could get assistance to buy food if you have trouble making it at the end of the month, you can get some support for your children’s school if you cannot afford to take care of them and you have trouble—

Dr. Browne: Mr. Speaker, Standing Order 33(4), I just want to clarify this to the Member.
Mr. Speaker: The interpretation is clear now. This must be read in conjunction with 35(b). So it is not an automatic arrangement, the Standing Orders are connected. So if he wishes to give way, then you clarify or after he speaks I can give you an opportunity to rise and clarify, but if he does not give way, you have to hold. Okay!

Dr. Browne: Your report on the last sitting—

Mr. Speaker: No, no, no; I have reflected on it. Continue!

Hon. Dr. G. Ramadharsingh: Thank you, Mr. Speaker. What we did, is that I mobilized the Ministry and a particular department was in the lead role and we went out into the communities with something called “direct impact” and in one week we visited 16 constituencies in Trinidad and Tobago, some of the poorest areas in Trinidad and Tobago. [Interruption]

Mr. Speaker, I was able in that week to see 6,500 persons; 3, 183 poverty assessments were completed per community. Do you know how many people were assessed? In the social welfare offices, the 12 offices throughout the country, for the entire year from January to August a little over 3,000 persons were—we saw more people in one week than the entire Ministry saw in those social welfare offices. What was wrong is that they developed a bad name, the people felt unwelcome and in those two hours the people came en masse.

10.45 p.m.

It was almost as if, according to the Member for Tabaquite, we demystified the assistance and grants that people can get and we broke down the walls and let the natural flow of assistance flow to the people who need it the most, and now when people text, e-mail, Facebook, call, they have a feeling that they will get through, because they are beginning to see a newness of approach in the social welfare offices, in the Direct Impact campaign. This is something that they will never forget and they will remember that it happened under the Peoples’ Partnership Government. [Desk thumping]

I am proud that after all that work, today 2,300 persons are able to access food cards in that short space of time. At the distribution events, the clients were informed that it would be a continuous monitoring and we would really be looking to empower them with life skills. Therefore, we were able to influence a local supplier to give mini grow-boxes. We have now since twinned this approach with the Poverty Eradication Programme where we are ready to give persons who are on the food cards, a facility so that they could do a hydroponics project in
their backyard to supplement their green vegetables, cabbage, lettuce and other seasonings, to empower them to grow their own food and assist them with their food bill. We intend also to rebrand the food card into the people's card and to establish a policy component by the name of RISEOUT, which is the Rights of Individuals to Social and Economic Security, Universal Protection for all.

With the Direct Impact, we have recognized that there are medical diseases that create serious social problems in the society and we have recognized that diabetes is one such disease that plagues the society and causes hundreds of persons to apply for the disability benefit, because it causes severe problems with persons who have to go out and work. In this regard, we have partnered with the Ministry of Health where we do front line testing to look for high blood pressure and diabetes as they exist in the communities. We have partnered with a local NGO called Missions International. This organization provides free medical services and humanitarian relief. Teams of doctors have been sourced through the Ministry of Foreign Affairs and we will be expanding this programme and bringing in volunteer doctors from all over the world to assist with the Direct Impact. In this regard, we have recognized that we also have to assist with cataract surgeries, as the load is very high in the national hospitals and we have also sourced doctors to perform these surgeries.

**Hon. Member:** You have any local doctors?

**Hon. Dr. G. Ramadharsingh:** Local doctors will assist in that regard as well.

Not only that, but at the tail end of the disease, we have recognized that there are many of our citizens out there who, because the extension of their limbs are amputated, cannot walk without the help of either a wheelchair or prosthetics. In this regard, we are planning to mobilize support for a massive Prosthetic Assistance Programme where 50 persons would be able to walk with the help of prosthetics for the first time in their lives. Clinics have been set up here already. We have partnered with them; we have helped them to get into the system and we have asked them to keep the prices low so that something which would have cost someone a quarter of a million dollars to build a prosthetic limb, will cost on average, TT $40,000 to $50,000.

This comes against a background where people had said early that the Ministry of the People was just a ministry on paper, but I want to say that every plan is just a piece of paper unless it is acted upon, unless you decide to put the vision and your decide to create the infrastructure for the dreams that you want to achieve. Therefore, we have been able to do quite a lot of work, because we
recognize that one of the tenets of the Inter American Democratic Charter, particularly Article 6, advocates:

“It is the right and responsibility of all citizens to participate in decisions relating to their own development. This is also a necessary condition for the full and effective exercise of democracy. Promoting and fostering diverse forms of participation strengthens democracy.”

Towards this end, the establishment of the Ministry of the People empowers the people on the ground. This radically changes the delivery of social services by facilitating a bottoms-up approach to governance. We are not interested in blindly steering people into the future, but that the citizens inform and fuel the national development agenda.

In this regard, the Ministry of the people is like, to put it simply, a 5ml injection of adrenalin into the Ministry of Social Development. It would allow for much more efficient customer service, encouraging the receipt of proposals from the citizenry with regard to good governance and development; sustained liaison with relevant ministries and government agencies; the dissemination of information and sensitization of the public on the progress of key initiatives; reporting to the Cabinet on the needs of communities and intelligence-gathering in communities. Not spying on people, but listening to the problems on the ground.

I am proud to inform you that within three months the People's Issues Resolution Unit was set up after two Cabinet notes and they met on Monday September 13, 2010 at 11.30 and gave effect to the Ministry of the People in three months' time after assuming Government in Trinidad and Tobago. [Desk thumping] The People’s Issues Resolution Unit is made up of representatives that were sent by their Ministers at the level of director or higher, and this committee has been meeting ever since September 13 to this date, dealing with people's issues throughout Trinidad and Tobago. If I were to list the successes, it is that the inter-ministerial People’s Issues Resolution Committee received approval for the establishment of the People's Issues Coordinating Unit in various ministries; reviewed the current complaints of each ministry and discussed the current challenges; reviewed existing work flow systems within each ministry and created a draft standardized electronic people's issues intake form that would be adopted by all PICUs to capture data from our clients.

Currently, we have received approval for job descriptions at the Ministry of the People and we are in the process of recruiting. We begin to review the
information technology systems to drive this Ministry. We have begun to set up operational guidelines for management systems; we have reviewed the client feedback system. The flow chart from the Ministry of Health, in particular, is being discussed, because we see issues that are important and urgent but some that are emergency issues.

To make the point, in the Ministry of National Security, issues of criminal activity: crime, rape, all of these issues are emergency issues and they need to be handled in an emergency manner. Therefore, if an old lady is in hospital; she is dehydrated and does not have a drip, a call is made to the Ministry of the People or the People's Issues Resolution Unit, and she would be treated in an emergency fashion, very much like the 911 system. From the point of call to the trajectory, including the resolution of the problem or the issue, all will be tracked and monitored by the 911 system in America and other parts of the world.

This is the vision of the Ministry of the People. Within the next three months we envision a facility where citizens can dial 24/7 for all services. They can dial existing 800 numbers, including 800-4-PPL; they can dial 24/7 and all calls would be confidential. We intend also that this Ministry will grow through partnerships with all ministries and NGOs, faith-based organizations and community-based organizations, because, after all, this is a government of a partnership and the basis of the partnership is what brought us together. It was a partnership that came together at a time when there was an emerging dictatorship and we were going towards a failed state.

The spirit of the partnership is not only a partnership of parties, that partnership was a breath of fresh air that led to a renewed respiration in our democracy and gave life to this Government. The partnership continues today as a partnering of government, business, community and international agencies. This kind of work that we have engaged in, has inspired the local partners in our business sector. Many organizations, Marios, the Rotary Club, Lions, the Red Cross and Missions International have signed up and come on board to help us.

In Couva South, together with the MP and another Minister, without a cent from the State we were able to build a home for a family of mentally-challenged persons. That is the power of people coming together. We were able to distribute 250 wheelchairs, 200 hygiene kits for flood victims with the partnership of Missions International and the Member of Parliament for Tabaquite. All of this has been done by people coming together.

When we look at the wisdom of the Minister of Finance, $10.7 billion was
devoted to the social sector to lift the lives of the people of Trinidad and Tobago, through the Ministry of the People and Social Development; Education, Housing, Sport and Youth Affairs, Health, Community Development and the Office of the Prime Minister. Approximately $3.6 billion was invested in capital infrastructure and $7.1 billion was budgeted for social programming. This means that it was an absolute increase from any year before—$9.5 billion is to be spent on the social sector in Trinidad and Tobago.

How will we use this money effectively and efficiently so as to benefit the people of Trinidad and Tobago in a very tangible and meaningful way and not make the mistakes of the past? For this money to be spent wisely and efficiently and in an accountable manner, we need to employ the new technology; we need to embrace electronic capability where we must use the census that is to be done next year to feed data into an electronic database where we will have our citizenry registered. We will know who are the vulnerable in society. We can map areas in the country so that if a natural disaster is to hit the north east of the country, by the touch of a computer we will be able to tell who are the elderly, who are the senior citizens, who are the shut-ins who cannot assist themselves; who are the differently-abled who will need the special help and local government and the National Security Ministry will seek out and find these people, the most vulnerable in society first and take care of them, who need it the most.

In this regard, we have to go the way of biometrics. I have had very favourable and hopeful discussions with the Minister of Finance on this matter. In this regard, we continue to pursue this agenda. The Ministry of the People and Social Development and a technical team will be visiting North Carolina Department of Health and Human Services to conduct a study to explore the best practices and cutting edge technologies for social services delivery. These include biometric technologies, smart card for social services, client and case management solutions.

11.00 p.m.

Soon the Ministry of the People and Social Development will be introducing a new cutting edge social services solution called Electronic People access to Social Services (e-Pass). This will improve effective service delivery based upon proven technologies and the social enterprise management best practice. It will transform the current regime of social services delivery from being operationally overburdened to that of a world-class, high performance, social enterprise system. It would position the Republic of Trinidad and Tobago’s
social delivery system as the most efficient and technology driven in the English speaking Caribbean and Latin America. It will provide biometric capabilities with the use of biometric and smart card technologies that will significantly reduce fraud. That is to say, as it exists now, persons can apply to several Ministries for the same assistance and there is no way of telling if someone is being fraudulent. It would also allow us to put the senior citizens’ pension on a card so that our senior citizens would not have to line up in the banks, in the hot sun and wait in long lines and queue up, but they will have this facility on their card together with other grants that they may have.

Mr. Speaker, this is the vision for our people so that the moneys that have been assigned to the Ministry will be spent in an effective and efficient manner. In this regard, the Cabinet of Trinidad and Tobago has looked at the social services scenario. We have also looked at some of our promises to be relevant in our assistance to persons and, therefore, what was formerly known as the Emergency Cases Fund, the general assistance grant which was first established to assist persons and households who were traumatized and rendered in need, due to natural and other disasters such as hurricanes, fires, floods and landslides, Cabinet has reviewed this assistance given under this programme. It is my pleasure to inform you, Mr. Speaker, that Cabinet has already approved the increase of the grants which are accessed under the general assistance grant. Therefore, the housing assistance which provides support to clients of the service delivery units of the Ministry of the People and Social Development, and other victims of disasters to purchase building materials for construction repairs to their homes, it is now recommended by Cabinet that this grant be increased from $10,000 to $15,000. [Desk thumping]

The household items grant that can be accessed by the needy persons to purchase household necessities such as stoves, refrigerators and furniture, it is now recommend that this grant be increased from $4,500 to $6,000. [Desk thumping]

The medical equipment grant which allows for persons who qualify for wheelchairs, special beds, dentures, colostomy bags, et cetera, due to the increased cost of medical equipment, the quantum of this grant is now grossly inadequate and, therefore, Cabinet has recommended an increase from $6,000 to $7,500.

The domestic grant which is given to domestic help for three months to clients who are unable to perform normal household chores has been increased from $1,600 to $1,800 per month for a minimum of three months.
The funeral grant which is intended to assist in the burial of deceased persons who have no one willing or able to undertake this cost, this grant can be issued to the needy families of the deceased under certain special circumstances. It is now recommended that this grant be increased from $3,450 to $7,000.

The pharmaceutical grant which is accessed by suitable applicants only if the drugs are not available under the CDAP Programme or at the public dispensaries, it is now recommended that this be increased from $900 for a three-month supply to $2,500.

The house rent which is used to assist clients who are temporarily unable to pay their rent, given the exorbitant rates for rental units, it is now recommended that this grant be increased from $4,500 to a maximum of $7,500.

There are other grants that have been reviewed and will be announced shortly, but, therefore, we are seeing that the Government of Trinidad and Tobago has recognized the need to increase the assistance given to those who are needy in the society.

Mr. Speaker, it was a phenomenal victory for us on this side, with the pieces of legislation that we have been passing in the Parliament of Trinidad and Tobago. Just recently, we all had the privilege of being part of a Parliament that gave effect to the wishes of a visionary Prime Minister, and passed a Bill known as the Children’s Life Fund. I am particularly happy with this measure as the Minister of the People and Social Development. A Ministry where our main concern is to improve the lives of citizens and provide for those who are vulnerable in the society and, indeed, our children are very vulnerable. They have just begun to take their first few steps in the beauteous journey of life. While normal typical children, because of inexperience, age, size and development are vulnerable in themselves, a helpless child riddled with medical challenges is a citizen that should receive the security and comfort of the State, and all of the resources of the State should be channelled for that child in a critical condition. Therefore, it was a very proud moment when we passed the Children's Life Fund, so that every child, no matter what part of the country they come from, no matter what socio-economic background they come from, whether it is a “wacker” man in Moruga, or a taxi driver in Brazil Village, or a farmer in Aranguez, or a fisherman in Toco or Icacos, if this unthinkable befalls them and there is a health problem, there is now a safety net built by the Government of Trinidad and Tobago, where that child will be held safely in the arms of the mother and father and be given the best medical treatment at home or abroad. That child will not die
because their father is not a wealthy man. Under this Government and under this Prime Minister, no child will be left alone. Every child will be given a fair chance because of the legislation passed here, the Children's Life Fund, by this People’s Partnership Government.

Mr. Speaker, this piece of legislation falls into our pursuit of the Millennium Development Goals. I had the pleasure of being part of that team that went to the United Nations to speak on the pursuit of our Millennium Development Goals and it was an occasion that saw us meeting specially with the General Secretary of the United Nations, Mr. Ban Kin Moon, who was very pleased and enamoured with the work that we were doing in Trinidad and Tobago. He was especially pleased with some of the initiatives that were undertaken by our Prime Minister. When our Prime Minister spoke at the United Nations, we thought that some major world leader was coming from the backstage and we had to make way, but the world leaders were lining up behind the Minister of Foreign Affairs to meet our Prime Minister, Kamla Persad-Bissessar, at the United Nations.

In this regard, the work of the Children's Life Fund fall in—

**Mr. Speaker:** Hon. Members, the speaking time of the hon. Member has expired.

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

*Question put and agreed to.*

**Hon. Dr. G. Ramadharsingh:** Thank you very much, Mr. Speaker, and Members of the House. I was saying that when Trinidad and Tobago ratified the UN Convention on the Rights of the Child in 1991, we may not have known that we would have gone so far with regard to protecting the rights of the children and the rights of the child.

This UN obligation or convention is a legally binding international instrument to incorporate the full range of human rights for children, specifically, articles 3, 6 and 24 are all related to initiatives such as the Children's Life Fund. I repeat that. Articles 3, 6 and 24 are all related to initiatives such as the Children's Life Fund. These articles entreat us to look after the health and well-being of our children.

“Article 3:

1. In all actions concerning children, whether undertaken by the public
or private social welfare institutions, courts of law, administrative authorities or legislative bodies, the best interests of a child shall be the primary consideration.”

Therefore, we have gone and come a long way.

Article 6 considers the child’s rights to health, as it clarifies:

“1. State Parties recognize that every child has the inherent right to life.
2. States Parties shall ensure to the maximum extent possible the survival and development of the child.”

Mr. Speaker, to the maximum extent possible, and this is, in fact, what the Children’s Life Fund does for the children of Trinidad and Tobago.

Article 24:

1. State Parties recognize the right of the child to the enjoyment of the highest attainable standard of health and to facilities for the treatment of illness and rehabilitation of health. States Parties shall strive to ensure that no child is deprived of his or her right of access to such health care services.”

And we have only just commemorated Universal Children's Day on November 20, in fact, we participated in a march on that day with groups in the society, and the march was labelled “Justice for Children”.

Mr. Speaker, it was the Swiss Philosopher, Ari Friedrich Amir, that reminded us that health is really the most fundamental of human rights and I quote:

“In health there is freedom. Health is the first of all liberties.”

It goes without saying that the protection of children’s rights does not stop with SOS Babies, that actually begins protecting the child—that is an NGO—before the child is actually born because they deal with prenatal, the risk of babies surviving a prenatal condition.

The Prime Minister and Government have now secured the child after birth, so that each child has a fair chance, but we must now, more than ever, secure our children who are growing up in our society.

As you know, Mr. Speaker, in recent times there has been a spate of incidents throughout Trinidad and Tobago, where women and children have been
at risk of injury and death in domestic and other situations. In this regard, the Ministry of the People and Social Development has appointed a task force to address the safety of our children with the terms of reference:

- to review existing system for child protection with the aim of making recommendation for strengthening same and developing an appropriate action plan;
- to design and facilitate implementation of a series of fora in north, south, central and east Trinidad on domestic violence and child abuse;
- to solicit feedback from the public as to how these issues are to be adequately addressed;
- to review the action plan developed by the committee established to consider the recommendations of the Justice Barnes Report; and to facilitate the implementation of priority recommendations.

11.15 p.m.

Mr. Speaker, as you will recall, there was a two-year-old baby that was smashed to death by a father. It is said that they may not have been citizens of Trinidad and Tobago, but they live among us and it is an issue that we have to put at the forefront of social development.

This task force met on October 28 and comprises representatives from a series of ministries and organizations such as the police, the Ministry of Education, members of the Children's Authority, community development and other NGOs such as Lifeline and Childline.

We are working feverishly toward the full establishment of the Children's Authority. The Children's Authority Act is partially proclaimed. The board has been appointed since April 27 and is now operating at Wrightson Road, Port of Spain. We have submitted the remuneration package for the staff of the Children's Authority, the financial and accounting system and a procurement policy. This has been done under this Government.

I am pleased to tell you that we have also started the child abuse and domestic violence forum and we have already held our first one in central Trinidad at Longdenville Signature Hall on November 20, last Saturday. This weekend we go to Toco from 11.00 a.m. to 2.00 p.m. in the constituency of Dr. Rupert Griffith. We go with all the policies, the technocrats and the NGOs, but we
say we do not have the answers. This is a holistic matter; it involves not only technocrats, policymakers, NGOs and persons with a passion for these issues, but it involves you the people on the ground telling us what we can do to help when there are cases of emergency.

These acts do not take place at the Hyatt Regency Hotel. They do not take place in the palaces that were created. They do not take place in the big buildings in Port of Spain only or, if at all, but on the ground, in the communities and that is where we go to get feedback for our decision making and our policy.

As I conclude my contribution, Mr. Speaker, the Member for Diego Martin Central raised the question of the differently-abled and disability grants. I assure the national community, the differently-abled and all our brothers and sisters in this society, that this Government is looking at all these grants and how we can best reshape them so as to be of more service to those who need it the most.

As we did with the senior citizens and with the general assistance grants today, as we announced the increases, we will continue to look at them to determine in what way we can be of more assistance to the people who are differently-abled and need the support. We do not believe in raising grants and giving moneys alone. We believe in providing support from the resource centres that will truly help the person with the resolution, in some cases, of the condition from which they suffer.

It has been announced before and I wish to reiterate that a total of $11.5 million has been approved for the establishment of a development centre for persons with disabilities. This facility will also house a resource centre to facilitate work on cerebral palsy, which is a disease unlike any other. Some persons have musculo-skeletal challenges, that is they have problems with coordinating their limbs and parts of their bodies. Some persons are mentally challenged in some regard and so they have learning disabilities. However, with cerebral palsy, sometimes you have a combination of both. Even worse, some children cannot intake food properly. So it is one of the most horrific challenges that a child can go through.

We have two cerebral palsy patients who are now holders of degrees in Trinidad and Tobago. There is always hope and we must continue to be that light to shine so that our people can walk a path of growth and development irrespective of their background or whatever challenges they face.
In this regard, we have not only approved the money in the draft estimates in the budget of Trinidad and Tobago, but we have gone further and, with the assistance of the Minister of Agriculture, Land and Food Production, we have identified land for this facility. I am pleased to say that a five-acre parcel of land has been identified in Carlsen Field for the facility. A visit was conducted to assess the feasibility and we have commenced discussions with the Commissioner of State Lands for the Ministry of the People and Social Development to access the land.

A proposal has been developed to guide and inform the design and construction of the centre even before it is constructed so that all the persons who use the facility would be pleased and actually input into the facility the design. I am pleased to say that we are actually beginning to create a vision for the $11.5 million facility for the differently-abled. Only Saturday I attended the Trinidad and Tobago Blind Welfare Association's annual dinner and had fruitful dialogue with the members as to how we can assist them in their work and in their pursuit of a better life.

On December 03, the world will celebrate the National Day of Persons with Disabilities and my Ministry will provide $256,688 to 29 NGOs to enable them to implement activities to celebrate Disability Awareness Week from December 03—10. If we are to be the Government of the people, we must be the government of all the people. We must be the government of the most vulnerable, of the special, of the needy and those in need. We will do that. We intend to grow and work with the people of Trinidad and Tobago from strength to strength in partnership not only with ourselves and our partners, but community-based organizations, faith-based organizations, the business community and international agencies that are lending help and support because of the kind of work we continue to do.

I thank you graciously, Mr. Speaker.

Ms. Alicia Hospedales (Arouca/Maloney): Mr. Speaker, it is an honour for me to contribute to this debate on the Finance (No. 2) Bill, 2010. Before I go into the various aspects of the debate, which I had documented earlier, I just want to focus a bit on the Member for Caroni Central.

This Member must realize that the campaign is over. For one moment I thought I was listening to an “ex tempo”. All the Member failed to say at the end was “sans humanité”. I wish the Member for Mayaro were here, he would have been able to sing it at the end for me.
The Member talked about public fora for senior citizens and senior activity centres, but he failed to say that these were initiatives started under the People’s National Movement. The Member needs to tell us how many senior activities centres they have opened to date. We can record seven senior activities centres being opened under the PNM.

It is also amazing that the Member for Caroni Central talked about the senior citizens fora. Sometime ago, either in the month of July or August, I saw a newspaper ad that sold this particular initiative that was started under the People’s National Movement as though it were a new initiative that began under the UNC-A Government.

Mr. Speaker, this is not a very credible thing to do. The Member for Caroni Central talked about championing. What is he really championing? Is he championing taking the most pictures or handing out the food cards and the social welfare grants in public?

The Member for Caroni Central talked about PR. His public relations strategy is to destroy the dignity and worth of very vulnerable people in this society. Who has been taking pictures of these vulnerable people receiving food cards and grants, exposing them to the population and causing the population to know their particular needs?

This is a very unintelligent thing to do; a very unempathetic thing to do. Just a while ago the Member showed a photo of the Member for Diego Martin Central giving out a cheque but, under the PNM, no Minister, no Member of Parliament, no politician ever gave out a food card or social welfare grant to any individual. The picture he showed is misleading this House and he needs to apologize for that. The only cheques that were given out in front the cameras were scholarships or a prize for some particular competition that somebody would have entered. This Member, again, is misleading the House.

[Mr. DEPUTY SPEAKER in the Chair]

The Member does not even give credit to the hard-working persons in the Ministry of the People and Social Development. He said: “I was able to see 6,000 people.” He did not even say: “We, the members of the Ministry of the People and Social Development and I, saw 6,000 people”. He said: “I was able”, like a cave man, patting his chest, as if he was able to see 6,000 persons. He does not even give credit where credit is due. Shame on you, Member for Caroni Central!

Every single thing the Member has said about the work conducted by the
Ministry has been either actively implemented under the PNM or was planned for implementation. He would not even acknowledge that as a reality. I see the Member for Chaguanas West. Get up!

Another thing is that he met the board of the Children's Authority in place. At the time we were having discussions with the CPO and the building for the Children’s Authority, which he claimed they acquired, had been occupied by the members of the board of the Children's Authority and it was purchased by the PNM government before May 24. I say all this to say that the Member does not have credibility.

Mr. Deputy Speaker, I want to go to a few comments made earlier by the Member for Tunapuna. Earlier this evening, the Member said that it is necessary to confront the truth. What truth was the Member talking about? I believe that the truth was with regard to the state we are in at present; the state of this country’s economy.

11.30 p.m.

Mr. Deputy Speaker, the Member for Tunapuna said that we need to consider it as a result of his careful husbanding of the economy. “Husbanding” is a word which was coined by him earlier this afternoon. As we are all aware, there are good and bad husbands. I am sure the few women in the House would acknowledge that, if the men do not want to acknowledge it. I want to believe that the Member for Tunapuna was comparing the careful husbanding of the economy to a good husband, but I am yet to be convinced otherwise.

Dr. Browne: Be nice to him.

Miss A. Hospedales: The Member for Diego Martin Central is begging for him. Mr. Deputy Speaker, you would be the judge of that. Approximately two months ago, the UNC-A Government presented a budget of $49 billion, with a deficit of $7 billion. Members on the other side spoke out loudly about deficit financing, when we were on that side. Now they are in Government, they are openly justifying and, at times, not even saying anything regarding deficit financing or even taking the advice they probably would have given us while we were on that side. As we confront the truth, the Members on the other side must admit that the economy is at a standstill, frozen. Nothing is being done to stimulate it.

The confidence of investors is lower than ever before. Some of them are running away. We have local and international investors who are running away from Trinidad and Tobago because of the—what he said—good husbanding of
the economy. This resulted because of the verbal licking provided by the Member for Tunapuna on the economy—no money in the Treasury. The economy is in a bad state. That verbal licking has us where we are today. If he is saying that they are providing careful husbanding of the economy, then the Member should know that a good husband always speaks well of his wife. Verbal abuse is just as bad as physical abuse. What has happened since this verbal onslaught of the economy? Inflation has increased. We are now at 13.7 per cent, food prices are higher than ever before and many people cannot go to the grocery and buy a proper basket of food for their family members. We would like the Member for Tunapuna to tell us what is the existing poverty level in Trinidad and Tobago at this point in time. This is necessary because of the extremely high rate of unemployment that is occurring in this country at present.

Under the UNC Government, we are experiencing 6.2 per cent unemployment. Thousands of persons are being laid off. Contract workers in the Ministries, clerical workers, guidance counsellors, social workers, litter wardens, sanitation workers, communication specialists, ECCE teachers and so many others are jobless at this very minute.

Many social scientists will tell you—I hope the Member for Tunapuna is listening—when unemployment levels increase, poverty levels also increase. The Member for Tunapuna said that they are building buffers of the future economy. When the Member made that statement, it reminded me of a statement that was used previously by the NAR government. Back then they said: “We will roll back the recession.” Their policies are just the same.

The Member for Tunapuna, on behalf of all the other Members, I am sure, is telling that they will buff the economy. What does that mean? What do you mean by you would buff the economy? You would buff the economy while the economy remains at a standstill? The people of this country are still waiting to hear your policy. They are still waiting to know your vision for the maintenance of a sustainable economy. We know the answer. They have N-O-N-E. They have none; no plan no vision. It is time for them to confront the truth, admit that they are doing the country a disservice and all of them resign tonight. You are doing the country a disservice. You need to resign.

They have continually failed to tell us how they are going to address the problems that they are currently faced with. Tell us. “Ah make all ah dem get up.” Before, they were sleeping when the Member for Caroni Central was talking. Suddenly everybody has revived. They need to tell us what strategies they have in
place to address headline inflation. What measures do you have in place to stimulate the economy? What strategies would be put in place to reduce the already high food prices, unemployment and poverty? We know the answers. They have nothing in place. As a result, they have gotten—I am really heavy-hearted to actually give you an F for carefully husbanding the economy, according to the Member for Tunapuna.

Mr. Deputy Speaker, is this the game of destruction that the Member for San Fernando West spoke about? She talked about the game of destruction, where the economy would be in a bad state and whatever else. I want to ask her: is this the game of destruction that her Government is playing with the people of this nation?

The Member for Caroni East said that the Minister of Finance is taking the economy forward, but where we are now is not evidence of an economy advancing, and he needs to be true to himself. Member for Caroni East, you need to be true to yourself.

The hon. Member—I want to make this point and I am taking my time to say this one—for Siparia, in 2009 in the debate on the Finance Bill, stated that the duty of the financial managers of our economy, the government, is really to build the economy so that we will be protected from adverse weather. I would further say, economic conditions. They have done otherwise. The giver of advice must first apply the underlying principles of that advice, before he or she is able to share it. What we have seen is that, in the past, Members were quick to give advice to us, but the advice they give is no longer good enough for them. In the same debate, the hon. Prime Minister said to a PNM government: “Do not borrow. Reorient your priorities.”

**Dr. Browne:** What?

**Miss A. Hospedales:** Yes, that is what she said: “Do not borrow, reorient your priorities.” Today we are hearing of an intention by the UNC-A Government to go to the IMF to borrow. Do you know what the old people would say about “what good for the goose must be good for the gander”? The advice that is good for the goose must also be good for the gander. What do we expect from a Government that constantly uses distractions to take people’s attention from the seriousness of the issue or issues that are before us?

The last two examples I could remember, apart from all the other issues that are occurring, with respect to the economy, unemployment, crime and all of that. One is the Fazeer Mohammed’s termination of employment; a cost cutting
The Member for Caroni East talked about different approaches to governance. This is a good example of their dictatorial approach to governance.

The second one blew me off my chair, when I heard that the hon. Prime Minister received an award for reducing poverty and crime in Trinidad and Tobago. I wondered if I was living in Trinidad and Tobago or on planet Mars. I really did not understand. That is not possible. They have used every single—let me focus for one minute on crime. There are approximately over 450 persons who were killed, as reported, I am sure, by my colleagues earlier. They stated that there were 26 murders in nine days. We have not heard much about this by the Members on the opposite side. They have not told us what plans they have to reduce crime. They spoke about a 120-day elaborate plan of things they intend to do, but that has not worked. They must acknowledge the reality of that. Mr. Deputy Speaker, they have used every single tactic to take the people’s mind off the falsehood they have perpetrated. It is time, again, and I repeat, that they confront the truth. It is time you acknowledge the reality.

The Member for Chaguanas East spoke about PNM economics that has the country where it is today. It is PNM economics that placed this country’s economy in a very strong position. Our foreign reserve was $9.2 billion. The Heritage and Stabilisation Fund was US $18 million. Unemployment was reduced to 4.5 per cent in 2009, compared to the 6.2 per cent that exists under the UNC-A Government at present. It is rising.

Investors locally and internationally had great confidence in the economy, which resulted in this country being positioned as the financial centre for the Caribbean. Poverty was reduced—the Member for Caroni East talked about poverty under the PNM—to 17 per cent. Under the UNC government, poverty was 33 per cent. That equated to approximately 429,000 people who were living in poverty. Is that not an example of all that was done under the People’s National Movement’s prudent management of the economy? I am sure you would say yes.

The Member for Chaguanas East also made reference to cost overruns made under the PNM government. I sat here and heard this thing go on over and over, almost like a stuck record, cost overruns, cost overruns, cost overruns. I wonder if the Member for Chaguanas East ever built a house, or if any Member on the other side has ever built a house. When someone sets out to build a house, he or she may have allocated a certain amount of money for the construction of the house, but, due to increases in material prices, cost of labour or a slight change in the design, the money he or she first allocated runs out and, as a result, more
money is needed for the completion of the house, which includes fittings and so
on.

11.45 p.m.

Mr. Deputy Speaker, an example of this was provided by the hon. Prime
Minister who said earlier, that the cost of her home is estimated to be more than
the initial cost. Initially, she quoted $3.5 million and said that the completion cost
is actually going to be $4.05 million.

I really did not get the point the Member for Chaguanas East was trying to
make about cost overruns. It does not take a scientist to make sense of this simple
equation that I have just provided to the House. The example I used is as simple
as could be explained with respect to helping people understand what a cost
overrun is.

Mr. Deputy Speaker, it is also important that Members of the People's
Partnership recognize the truth. As I said earlier, they are faced with over 450
murders; 26 in nine days. The Member for Princes Town boasted that they are
committed to crime, a claim made which I believe they have committed in
thought and on paper, but the demonstration of this commitment is yet to be seen,
and I believe it is nil. They are only using public relations gimmicks to say that
they are fighting crime in Trinidad and Tobago.

Mr. Deputy Speaker, once again, I am forced to repeat—continuous
repetition sticks with people—be true to thy own self, but this time to the Member
for San Fernando West. What the Member failed to say was that the work on
CNG was done in advance by the then PNM government which made it easy for it
to be implemented.

Hon. Member: Ohoo!

Miss A. Hospedales: Mr. Deputy Speaker, you see, they are agreeing with me.
The work was actually done by the PNM government and made easy for them to
implement. The Member did not mention when she entered office, she would
have had access to the work of the Renewable Energy Committee which was a
Cabinet-appointed committee under the PNM.

The UNC coalition is playing to global measures while people in this
country are suffering with unusually high job losses; escalating crime and the
destruction of our national security. We can go on and on about national security
and the dismantling of our security system. We had a good example of that last
week in this House when the Interception of Communications Bill was presented.
We heard about the stalling of the economy, and we take no comfort in what the Minister of Energy and Energy Affairs said. The target project for La Brea which the Member for La Brea talked about with respect to the aluminium smelter has not been properly studied. They have tried to rationalize and justify why they should not move on with this particular project, but we can see through that. They have no definite plan; not even a plan for industrialization in Trinidad and Tobago. They have no plan for the energy sector; no policy. Mr. Deputy Speaker, for the information of the Member for San Fernando West, without a policy for the energy sector, things can go off-track down the road. It is, therefore, necessary that you have a vision. There is a verse of scripture in the Bible that says the people perish for lack of vision. [Desk thumping] So, it is necessary that you have a vision otherwise you will perish.

Mr. Deputy Speaker, much was done on this side. We hope the Government will listen and will not prove itself to be a thetar government. You know, I really like reading the Hansard, because it gives you a lot of insight, as I said before in an earlier debate, of the heart of man. The Hansard also tells you what people are thinking and it helps you pick up specific words and phrases that individuals use. You know, a thetar government was actually used by the Member for Siparia. Do you know what she said? The word "thetar" means stubborn. [Interruption] According to the Member for Diego Martin Central, these words have come back to haunt her.

We hope they would be mindful of the impact of that their incompetence and irresponsibility is having on the most vulnerable people in the society. We hope they would tell the cane farmers the truth about the EU fund. You owe them an apology. I wish the Minister of Food Production, Land and Marine Affairs was here. He needs to apologize to the cane farmers. We hope they will stop the lip-service; stop the campaign and begin to work. If they do not, their stay on that side would be shorter than you think.

Mr. Deputy Speaker, we are just giving them words of wisdom, and if they do not listen, they are going to fall by their own counsel. [Desk thumping] The people have already begun to become disenchanted by their leadership. We hope that they would not continue to fool the people, but they would begin to serve the people of Trinidad and Tobago.

Mr. Deputy Speaker, I thank you. [Desk thumping]

The Parliamentary Secretary in the Ministry of Sport and Youth Affairs (Miss Stacy Roopnarine): Mr. Deputy Speaker, it is certainly my pleasure to rise
tonight in this honourable House to contribute on this Finance Bill which is before us today. Before I begin, I would like to commend the hon. Prime Minister and Member for Siparia for her statements made in this honourable House today. She has certainly demonstrated her commitment to transparency and accountability. [Desk thumping] She has set an example to the young people of this nation in integrity and honesty. [Desk thumping]

Mr. Deputy Speaker, the Bill before us seeks to implement some of Government's plans in the 2010/2011 budget. I would like to congratulate all the Members who have spoken on this Bill and, in particular, the Minister of Finance, for pioneering this Bill.

I listened very attentively to the last speaker, the Member for Arouca/Maloney. I sat here with pen in hand, very attentive, at the late hour of the night—in fact, the Leader of Government Business, the Member for Oropouche East, advised me to take careful notes from this Member. Mr. Deputy Speaker, after her contribution, this is what I wrote. [Paper in hand] [Desk thumping] Mr. Deputy Speaker, there is nothing more for me to comment on with respect to the Member’s contribution.

I would like to move now to our very pleasant Member for Diego Martin Central. Now, in his contribution, he stated that people are asking for results and delivery but, apparently, he did not read this Bill, because this is exactly what this Bill seeks to do. [Desk thumping]

The Bill before us seeks to ensure the protection of the future generation and their development and sustenance in a stable economy. This Bill has addressed renewable energy sources and tax incentives for such: pension; the environment and littering and a host of other things that would contribute to the economic development of Trinidad and Tobago. So, clearly, he was not paying attention. [Desk thumping]

He went on to say that this Government is living in the past, but we must draw reference to what they did in the last nine years in order to ensure that we do not end up like them and where they are today. That is why we draw reference to what they have done in the past.

He went on to say that we should apologize to the nation. They are the ones who have put us in this position today, as the Member for Chaguanas East suggested in his contribution earlier. So I would like to ask him, did they apologize to the nation for the Guanapo church; for the wastage of taxpayers’ dollars on summits, palaces and high-rise buildings? Did they apologize for
wiretapping? But they have asked us to apologize.

Mr. Deputy Speaker, one of the major points of interest in this Bill for me as a young person is the environment. Today, the environment is a major concern to us and throughout the world. We are faced with severe changes in climate conditions; increased global warming and the impact of that on our environment; an increase in bush fires during the dry season; flooding and hurricanes are creating much devastation globally.

As we have seen recently, our neighbour, St. Lucia, was affected by hurricane Tomas. Our Government stood ready and able to assist, and our Prime Minister went there personally to deliver assistance to our neighbours. Have we ever seen such compassion of a Prime Minister before? Mr. Deputy Speaker, no.

Trinidad and Tobago has a part to play in the fight to redeem mother nature as her care and protection is necessary to ensure continuity of many species of life. While Trinidad and Tobago is blessed with much natural resources, the care and protection of our environment must be instilled in the children and the youth of this nation.

One of the very first things that our Prime Minister did after taking office was to launch the Clean and Beautify Trinidad and Tobago Environmental Campaign; a campaign which now has citizens taking responsibility for the cleaning and beautification of their environment. This is why clause 8 is important in this Bill. Clause 8 seeks to amend the Litter Act by increasing the penalties associated with littering. When the Member for La Brea spoke—he is no longer with us this evening—he said that he did not understand the need to increase the fines. He also insinuated that this was a revenue collection method by the Government. Let me seek to educate him, and maybe his colleagues could pass the message on to him since he is not with us this evening.

Mr. Deputy Speaker, the Washington Department of Ecology has conducted an in-depth study to explore knowledge and attitudes toward littering among key audiences from 2001—2008.

12.00 a.m.

One of the major outcomes from these studies was that participants were asked what would convince them not to litter. The answer was unanimous, “Knowing I would be caught and fined.” It was then recommended that local penalties be set at sufficient levels to produce meaningful incentives for compliance. This is exactly what clause 8 seeks to do by increasing the penalties
by 100 per cent to ensure the protection of our environment. Of course, this previous administration—now with only two Members—did not take any steps to encourage people not to litter, that is why today we are faced with so much flooding across Trinidad and Tobago. [Crosstalk]

Mr. Deputy Speaker, UN Millennium Development Goal No. 7 aims to improve the way we take care of the environment, so that natural resources which people need to survive would be available for future generations. [Interruption]

Member for Diego Martin Central, would you like me to give way?

**Hon. Members:** Oooh!

**Miss S. Roopnarine:** We therefore need to start looking into alternative energy sources such as solar and wind energy that are more environmentally friendly and, of course, are renewable resources. One of the major problems faced by the world with traditional fossil fuel combustion for power generation is emission of greenhouse gases into the environment, thus increasing the greenhouse effect and global warming.

In the July 2010 publication of *IEEE Spectrum Magazine*, it was reported on page 23 that the current world electricity demand is approximately 20,000 billion of kilowatt hours, with an anticipation of this figure rising to 30,000 billion of kilowatt hours by 2030. Based on these statistics alone, we can see the relevance of the global community exploring alternative energy sources.

Mr. Deputy Speaker, while the last government was bent on implementing a smelter plant, to further intensify the degradation of our environment, this Government has not only said no to the smelter, but we have also said we will take strategic steps to ensure that Trinidad and Tobago’s carbon footprint on the world is decreased, something that is long overdue in Trinidad and Tobago.

Our Caribbean neighbour, Barbados, has successfully been using solar water heaters, and today the solar water heater industry in Barbados now has a turnover of about US $2 million per year. There is no reason Trinidad and Tobago cannot reach in the vicinity of that.

I was quite pleased to see that our current Minister of Housing and the Environment is committed to encouraging renewable energy. I refer to an article in the *Guardian* of November 23 with the headline:

“T&T committed to low carbon future”

In the article, the Minister and Member for Oropouche East went on to say that
the Government was committed to pursuing a low carbon development path towards the achievement of an environmentally sustainable economy. This is what clause 16 seeks to do, by providing the necessary incentives for the purchase of solar water heaters as well as providing an allowance of 25 per cent of the cost, up to a maximum of $10,000.

The Leader of the Opposition said earlier that he had heard nothing about job creation from the Minister of Finance in his presentation. Well, it seems obvious to me that the diversification to alternative energies will create viable jobs for our citizens. There may be an opportunity for local people to design and sell, let us say, solar panels, for example. Of course, as you know this Government is committed to localizing it, as our Minister of Sport and Youth Affairs, Member for D’Abadie/O’Meara says, therefore, we will support our locals in these initiatives. However, the other side, Members of the Opposition, will not understand this, because they have a fixation for supporting the Asian and other foreign labour forces.

I congratulate the Minister of Energy and Energy Industries for a very comprehensive and well presented contribution to this debate. This is what we would expect from Members on the other side as well; however, we are yet to see that. The Minister went on to explain in great detail the benefit of CNG to the economy, so I will not touch too much on that. The overall point is that we certainly care about the environment and its preservation, so we will encourage our citizens to be environmentally conscious in whatever they do. The last administration did not seem to care about this at all.

They spent millions on big buildings, destroying our natural resources for the purpose of multi-storey buildings, with no emphasis on the impact on the economy. That is why in 10 minutes of rain, Port of Spain floods today. We will not make the mistake they have made. As the Member for San Fernando West said, we will correct the wrongs that they have done. We have seen that our Minister of Works and Transport has been working very hard to improve the drainage situation, not only in Port of Spain, but throughout the country.

As we speak to the environment, we need to create a more environmentally aware population and we need to start with the youth of this nation. Environmental sustainability needs to be integrated into education and all policy decisions. Young people must contribute to environmental sustainability for the simple reason that it affects their lives today and their future, more than anyone else’s. Today, when human activities are causing losses in biodiversity at
a rate of 50 to 100 times faster than one would expect otherwise, our Ministry of Sport and Youth Affairs, under the guidance of the hon. Minister of Sport and Youth Affairs, is committed to the cause of protecting the environment through the gatekeepers known as young people.

We launched the “My Country My Space” environmental campaign in August. This campaign seeks to ensure that young people realize that they are the guardians of the environment and are responsible for its protection. The aim is to simplify environmental responsibility to an individual level, making it easier for each person to understand how they can help save and protect the environment and reduce their own carbon footprint.

The campaign is primarily geared towards increasing awareness of environmental issues among young people nationwide and we have taken steps to ensure that this will soon be rolled out in our secondary schools nationwide. This would mean the campaign would reach 88,232 students across 135 secondary schools. I take this opportunity to thank the Minister of Education, the Member for Caroni East, for only today we got the permission to have our campaign carried throughout the schools of this nation. [Desk thumping]

Mr. Deputy Speaker, clause 16 also proposes to amend the Income Tax Act so the allowance for the purchase of a house is increased from $10,000 to $18,000. This will go a long way for the youth of this nation. Given that this year has been deemed International Year of the Youth by the UN, with the theme of dialogue and mutual understanding, the Government of Trinidad and Tobago launched a National Youth Consultation Programme engaging young persons in dialogue with Ministers of Government. We have hosted one consultation each in the north, south, central and, of course, in Tobago. Each of these consultations has provided us with feedback relevant to our National Youth Policy which will be used in the upcoming review of the policy.

One of the concerns arising out of these consultations was the ability of youths to become homeowners. I believe this amendment would certainly enhance the ability of a young person to become a homeowner. This Government is certainly listening to the people and ensuring that youth voices are heard.

The Member for Port of Spain South in her contribution boasted about the programmes implemented for youths and communities under the PNM government, but I want her to tell this honourable House if under the PNM there was a decrease in the number of crimes committed by youths. Did this reduce the number of crimes?
Hon. Members: No!

Miss S. Roopnarine: A resounding no; not even her colleagues would answer yes. Not only do we have to provide the facilities for our young people to encourage them in positive activities, we need to provide the guidance and mentorship. This is what the Minister of National Security has done in his initiative to start a Youth Mentorship Programme for the youth at risk. This programme seeks to provide the guidance necessary to guide our young people away from crime and into positive activity.

Mr. Deputy Speaker, this Government will also continue to expand and improve our facilities used by the youth of this nation. In fact, the Ministry of Sport and Youth Affairs has plans to enhance more of our youth empowerment centres across the islands. This Government has the best interest of our people at heart, in particular our young people.

I refer to an article dated October 16, 2010 in the Trinidad Guardian with the heading:

“Kamla: Role for Commonwealth Youth in Development”

That article went on to state that the hon. Prime Minister told the Royal Commonwealth Society to integrate the voice of youth and their multifaceted talents in all aspects of development. She is committed to the development of our young people. In fact, the very first time she opened the doors of the Diplomatic Centre was to the children of this nation. [Desk thumping] This Prime Minister cares about the nation’s youths, unlike the Leader of the Opposition who referred to our form one students as “duncy heads”, when our Prime Minister was delivering laptops for their growth and development. [Crosstalk]

The hon. Prime Minister again demonstrated her commitment to youth development when she hosted a reception at the Diplomatic Centre for the youth who participated in the Ninth National Youth Parliament held by the CPA’s Trinidad and Tobago branch, where she stated that the Youth Parliament ensured the growth and continuity of our democratic principles. At that function she also encouraged more Youth Parliaments in Trinidad and Tobago. I take this opportunity to congratulate all the young persons who participated in that debate and wish them continued success.

In closing, I reiterate that this Bill will have a positive impact on the young people of Trinidad and Tobago and that this Government certainly remains committed to the development of young people.
I thank you.

12.15 a.m.

The Parliamentary Secretary in the Ministry of Planning, Economic and Social Restructuring and Gender Affairs (Miss Ramona Ramdial): Good morning, hon. Members. First of all, let me commend this honourable House on staying and fighting the fight and defending the Finance (No. 2) Bill, 2010. Let me also commend our beloved Prime Minister for also marching, and of course, condemning what the Member for San Fernando East alluded to last week in his statement.

Before I go into my contribution, I would like to make a few comments with respect to some of the Members in Opposition who have commented during the course of yesterday and into the early hours of this morning. The Leader of the Opposition’s comments—now he has always had a habit of talking about no confidence, the no confidence in Trinidad and Tobago’s economy by the populace. He speaks about the no confidence in Trinidad and Tobago’s economy as if it is something that just emerged and I tend to agree with my colleague from Chaguanas East, who said that we have only been in power for six months. They have been in power for nine years and this problem has been perpetuated over nine years and has culminated to such an extent where our country went into a general election and had to get rid of the previous government in order to save the economy of Trinidad and Tobago. This is what they fail to realize. It is a PNM characteristic that every time they are in power they tend to erode and destroy the nation and its economy and then we have a new Government that would come into power and do the clean-up act. [Desk thumping]

Never again, is this partnership, our partnership going to allow for this kind of characteristic to reemerge in Trinidad and Tobago. Never again! I want to assure him of this. I also intend to disagree with the Leader of the Opposition’s remarks when he says that “we are most dependent on the energy sector”. Why is there this need to focus on, solely, industrialization? You hear him speak about the aluminium smelter, the Essar Steel Plant and other major heavy industry projects, and this has been one of the major goals of the previous government where they had only focused on industrialization and tended to neglect the environment and the people calls at the ground to a large extent.

Again, this has been one of the major reasons they got voted out of power, because they failed to listen to “we” the people on the ground.

Hon. Member: That is right!
Miss R. Ramdial: There is also a strong demand from the populace to diversify the economy, and we cannot, cannot, continue to depend solely on oil and gas!

This Government is on its feet and moving towards diversifying the economy. [Interrupt] If they cannot see that during the six months that we have been in power, then something is wrong with them, and they are here to mislead the populace again. There is no way that we are going to allow this. Not the youth population of Trinidad and Tobago!

Hon. Member: That is right! [Desk thumping]

Miss R. Ramdial: The Member for Diego Martin Central, my good friend, he has made the comment about the Government being disconnected to the people and this is the biggest untruth that I have heard in a long while.

If anything, it was the PNM who had been disconnected to the people for the past nine years where they became retarded in carrying out their basic duties as the government of the day in providing basic amenities for the people. [Interrupt] The then Prime Minister was confident in winning the election regardless of the cries of the people. This is why I think that they are still in shock of our landslide victory and they make these comments. They are still in shock! He should be the last one to talk about infighting and take a look at his own party politics. [Desk thumping]

The People’s Partnership is very strong and we will continue to hold fast for a very long time. [Desk thumping] The Member for Port of Spain South commented on the URP programmes and the appearance of 46 new URP gangs in the Port of Spain area and alluded to corruption within the URP. I want to tell her that—and the Minister of Labour, Small and Micro Enterprise Development would agree with me—that we have decided, the People’s Partnership has decided to restructure to accommodate for skill-based training in collaboration with the Ministry of Science, Technology and Tertiary Education to help these people in the URP progress and be able to get out of that dependency syndrome and to market their skills at a higher level. [Desk thumping]

The Government is also trying to discourage our people, especially the youth population from moving away from these programmes and enlisting themselves in programmes which would qualify them in different skills and fields to cater for the jobs sector of Trinidad and Tobago. She also mentioned that it appeared that our economy was heavily relying on oil and gas by pushing deep sea oil exploration, and I do not even have to go there because our hon. Member
for San Fernando West, well, finished her. All right! [Desk thumping] This is definitely not so because parallel to that we have also opened up avenues for diversifying the economy by offering incentives for agriculture, ecotourism, ship building and repair—

[M.R. Speaker in the Chair]

—and by also introducing the national innovation model spearheaded by the Ministry of Planning, Economic and Social Restructuring and Gender Affairs for innovation and entrepreneurship activities in Trinidad and Tobago.

This is so because we have realized that our country and our younger population highly educated, that is, has a wealth of ideas which can be beneficial to Trinidad and Tobago's economy in generating revenue for our economy. This is where we are taking it. So they cannot stand here for a whole 24 hours and more and say that we are not doing anything and we are six months in power and there is no sign as to what we are doing, and the populace is angry and they are commenting. No, this is not so because we are working and we will continue to work for the next five years for the people of Trinidad and Tobago. [Interruption]

With respect to the Finance (No. 2) Bill, I want to make special reference to the Litter Act, why it is that we have increased the fines from—well, of course, there are four different sections in which we have increased the fines, and this is so because the People's Partnership has embarked on an integrated approach to litter prevention which is likely to be the most effective method of tackling the litter problem in our communities. Integrated approaches include: Education, regulatory and enforcement strategies, infrastructure provision and financial incentives.

Of course we have embarked upon a nationwide campaign, where we are trying to educate the population in influencing people's littering behaviour, supporting the expanded and stronger litter laws and encouraging the key stakeholders which are the local councils, the state government agencies and community groups to be active in litter prevention through an integrated approach of education, enforcement and infrastructure provision. This is what you are seeing evident in our amendments to the Act with respect to our increase in the litter laws, because we have to be serious about it. Littering and land pollution of course is one of the major causes of flooding in Trinidad and Tobago and we have to control that problem. Of course, we have embarked on a number of community projects and this is one of the integrated approaches that we are talking about.

In Trinidad and unfortunately so, Trinidad rivers are also popular dumping
sites for a variety of domestic garbage, the site of old appliances, bags of chicken feathers or discarded tyres, rubber beds in ravines is not uncommon. Much of the garbage that is at the roadside or thrown out of a car window is eventually washed into drains and then into the sea. This debris may float for a while, finally landing on some distant beach or being mistaken for food by marine animals, birds, turtles or fish, often with fatal results. It is recommended that the public play a part in alleviating flooding by not littering and what better way than to increase the fines for these litterbugs, as we know them.

When rain washes the litter into the inlets and drains it accumulates there and causes blockages to the drains which can lead to flooding or ponding. These blockages assist the quantity of flooding and the length of time that the floods will endure. Of course, we have our local stakeholders who have agreed and accepted the People’s Partnership vision in increasing the litter fines. The Chaguanas Borough Corporation is to step up its Litter Warden Programme, according to the Mayor, and he has also added eight new litter wardens to the corporation as early as—well, of course, this is a past article I am reading—September of this year, and he welcomes the move, the increase in the penalty for littering to $2,000, saying this fine should discourage would-be litterbugs from contributing to the level of garbage on the streets and in watercourses.

So never again are we going to—and I am assuming that I am not going to hear it, where we have the Members of the Opposition, because they are going to come here and stand and say, “Well, we increase the fines for litterbugs and we are not seeing any enforcement and it is ineffective.” This is not so, because we have our local councils and corporations who are employing the hired help to enforce the laws that we are legislating.

With respect to alternative energy use, and of course, this relates to diversifying of the economy, the conservation of fossil fuel is a simple yet important effect of using solar energy. As more and more individuals, corporations and Government use alternative energies such as solar, we conserve fossil fuels and other natural resources that are quickly diminishing.

With a rapidly expanding world economy and the strong growth in highly populated countries, the demand for energy is increasing at an alarming rate. This makes conserving our resources more important than ever. The benefits of solar energy are numerous. It is renewable, solar energy is environmentally-friendly compared to fossil fuels which release greenhouse gases and solar panels are extremely reliable. Electricity can be generated for 1,000 hours with little or no
maintenance.

In the long run, solar electricity is cheaper than buying it from the power company. There is a start-up cost, but then it starts paying for itself. There is a huge variety of solar panel systems available which means anyone can get into the solar drive. There is an entry point for just about everybody. Solar technology is constantly improving and installation rates have increased by 50 per cent globally. So we are not going to be a backward nation, we are going to get on board with the global changes that are taking place. Our Government, Mr. Speaker, has decided to offer incentives to those willing to go solar energy. That is an allowance of 25 per cent of the cost of the solar water heating equipment.

Now I want to move on to a very important part of this contribution with respect to the Green Fund, and the hon. Member for Oropouche East has agreed to what I am going to present here this morning. Now the Green Fund has been amended, and in effect, the two changes are:

“1. To provide eligibility to all organizations incorporated as non-profit companies under the Companies Act; and
2. Providing eligibility for all Tobago-based organizations and community groups registered by the THA.”

I would go a bit in detail into this Green Fund so we can understand what is going on here. Now the Green Fund at the end of June 2010, the balance of the Green Fund from levies collected from companies carrying on business in Trinidad and Tobago was approximately $2 billion. To date, a total of $72 million has been committed from the Fund to support the certified activities of three organizations. The Green Fund Executing Unit, the administrative entity established in the Ministry of Housing and the Environment to manage the Green Fund came into operation in September 2008 and is actively receiving and processing applications for financial assistance from the Green Fund.

Now, of course there is a clause with this that prohibits anyone in Trinidad and Tobago wanting to get access to the Green Fund. I would go directly to that and I would read that part of it: “The purpose of the Fund is to financially assist organizations and community groups that are primarily engaged in activities related to the remediation, reforestation and conservation of the environment”. The stipulation that organizations and community groups be primarily engaged in the stated environmental activities effectively excludes from access to funding entities whose main business may not be of an environmental nature, but which, nevertheless, are able to conceive relevant projects and possess their institutional
and other capacities to efficiently and effectively execute them.

What we are trying to say here, that clause primarily, is going to be taken out of this law and make it easily accessible for anybody in Trinidad and Tobago to access the Green Fund, and of course it would be opened up, I think it is $1 billion that is available for anyone wanting to engage in environmentally-friendly projects and business in Trinidad and Tobago.

12.30 a.m.

So here again we have the Partnership working for the population, because we are not going to restrict anybody with a good innovative idea that will enhance and help keep Trinidad and Tobago sound. A significant percentage of potential applications for funding from the Green Fund received by our Green Fund Executing Unit fall into this category and have proposed projects of sound social community and environmental value.

It is against this background that this People’s Partnership Government is of the view that the limitations identified in this Act would be changed and the Green Fund would be easily accessible to the population of Trinidad and Tobago. In addition, the optimization of the potential social, economic and environmental benefits of the Green Fund depend upon its access by the widest possible target beneficiaries.

So, ladies and gentlemen, hon. Members of this House, what we are trying to show you here this morning is that all our initiatives taken thus far during this six months by us, the Government of Trinidad and Tobago, have been very effective, highly accepted and I think that we are on the right road to promoting and encouraging good governance in Trinidad and Tobago and I think that the People’s Partnership has been well received over the past six months—[Desk thumping]—and there is no way that we are going to allow for a weak Opposition to come and undermine us here time after time in Parliament and allow for us to be manipulated by their words. That is all they have, their words; the manipulation of their words, to undermine our good work.

I am telling you here today, as part of the younger generation of the Partnership that this will not perpetuate forever; this has to change and it will only change from the actions of our good governance and the results that are brought forth within the next five years under the admirable leadership of our beloved Prime Minister.

Mr. Speaker, I thank you. [Desk thumping]
The Minister of Finance (Hon. Winston Dookeran): Mr. Speaker, I am sure you would agree that after hearing the Member for Couva North, the Member for Oropouche West and earlier on, the Member for Princes Town, my job in closing this debate has already been done. [Desk thumping] I want to compliment them for so superbly dealing with all the issues that have been raised during this debate—[Desk thumping]—and so succinctly putting forward what really was the objective of this debate, which is to provide the platform for the continued development of Trinidad and Tobago, contrary to those on the other side who have been obsessed with, as you rightly said, Member for Couva North, with words, parroting old ideas and not being able to come to terms with the fact that their time has gone and now it is our time in Trinidad and Tobago. [Desk thumping]

I will, however, like to address only one or two issues for I do not intend at this time in the morning to detain this honourable House much longer. I want to address one issue that was raised by the Member for Port of Spain South, and I must say I enjoyed her contribution earlier on. She asked a very pertinent question about the National Insurance Board’s investment in Clico and whether this posed a serious threat to the viability of that institution and also to the question as to whether or not the pension proposals that we had enunciated partially here today would be posing any threat to the beneficiaries of the National Insurance Board.

I would just quickly respond by saying that on neither of those counts do we see any threat. It is now widely recognized that the Clico Investment Bank has been petitioned to be wound up in the court sometime in the future and two companies have placed opposition to that at this point in time, one of which is the National Insurance Board, and the other is the NGC. That matter is now before the court so I need not speak about it except to say that they are both state enterprises dealing with the Clico Investment Bank which was taken over by the First Citizens Bank and we are hoping that that matter can be resolved amicably.

The second issue with respect to our pension proposals that we had enunciated in the budget speech and alluded to here, you indicated your concern as to whether that will affect the beneficiaries in the NIB. I can let you know at this point in time that there is no such threat. The proposals are much wider than what exist and that the beneficiaries in the National Insurance Board will remain beneficiaries. The NIB plays an important role in providing social protection to the people of Trinidad and Tobago and all that they do will continue. An actuarial review is expected to be done on that institution during the course of 2011, after which we shall review whether it is possible to increase the benefits coming out of
that body.

The other issue that was raised that perhaps needs a response is the sense that I get from many speakers opposite, that there is a growing lack of confidence in the country. To some extent there were some contradictory statements that were being made. On one hand, the Member for Diego Martin West was saying that this Government should not embark on a borrowing programme externally, although the multilateral institutions are able and willing to help us in this regard, saying that we must, indeed, use the local market.

I want to just point out to the hon. Member that the local financial market and banking sector must build their profitability not on government borrowing but on business loans. It is a challenge that I have put out to the banking community. Too much of the profitability of the banking sector relies on government borrowing. You cannot build a self-sustaining, profitable banking sector only on government borrowings, and, therefore, we do not wish to crowd out the possibility of business loans.

Perhaps this gives me the opportunity to say what I had planned to say when I presented this Bill before us, that the time has come for the private sector to be able to design, what I would refer to as a private sector investment programme. In the Government, we have put forth the Public Sector Investment Programme and I had indicated earlier on that that programme was constructed to trigger activities in the construction sector. Seventy-five per cent of the expenditure in that programme was geared towards construction, not necessarily big constructions, although there are some—and I am sure the Minister of Works and Transport would shortly be able to enunciate some of those bigger projects—but many projects at the level of the people's needs, because one of the shifts in the Public Sector Investment Programme was to shift from projects that satisfy the leader's ego, to projects that satisfy the needs of the ordinary people of Trinidad and Tobago. [Desk thumping]

Having put together such a programme, it is now the responsibility, given that the Finance Bill has enacted the legislative authority for a very detailed programme of fiscal support in many areas, which have been enunciated today by many speakers and which I alluded to when I presented this Bill, that the time has come for the private sector to get their act together and to get a private sector investment programme that will supplement and complement the Public Sector Investment Programme to ensure that this country collectively moves forward in a new momentum in 2011 to undo what has been done in the past and to create
openings for the blue sky in the future.

Today, I take this opportunity to elaborate on the discussions that the Prime Minister had with the private sector only yesterday on the issues that were restricting investment. Here we have a situation where the banking sector has available to it, credit facilities and where the fiscal regime is now in place to support investment and it is now a requirement on this country's future development that we convert that opportunity into a private sector investment programme.

We will be talking to the private sector in greater detail and I know the Member for Chaguanas East has already worked out a number of projects that will hit the ground, and as he told me when we spoke about it not too long ago, that there is a new order of TT $1 billion of investment in the private sector that will hit the ground in the first quarter of 2011. [Desk thumping]

So the stage has been set. We did indicate that had this Government not taken the reins of government and taken charge of public policy, then, perhaps, the country's decline would have continued. I did indicate specifically, that the country's cash reserves were over $17 billion in 2008 and by the time we came into office, were in the vicinity of $4 billion. That is the best indicator of this slide that was taking place in Trinidad and Tobago and it is the advent of the confidence that is now growing and being built that we have been able to keep the situation intact and prevent it from becoming worse at this stage.

So the view that there is the lack of confidence is really parroting an idea, parroting a sensation, but not based on the fact that you have put into place a policy framework; you have put into place an investment programme and you are now working towards the conversion of that in order to expand it in a deeper way over the next year. It is no wonder—and let me put it for the record—that when the International Monetary Fund did their Article IV consultation about two weeks ago in Trinidad and Tobago and in spite of the fact that they did acknowledge that the challenges ahead are going to be great, and as an independent analysis, they came to the conclusion and concurred with the view that has been expressed by our own Ministry of Finance that economic growth should resume around the middle of 2011, they, too, have estimated an economic growth of 2 per cent during 2011. Coming on the heels of negative economic growth last year and flat economic growth this year, this is, indeed, the beginnings of the turnaround that the Member for Diego Martin West hopes will not happen in Trinidad and Tobago, from what he has said.
I wanted to just put those things on the record so that we do not leave this debate feeling that the confidence issue will drag us down. We recognize that there is more to be done and that over time in the short term, we will begin to see the emergence of the activity, and as I indicated earlier on, we had injected some purchasing power into the market, and hopefully, all that will build confidence in Trinidad and Tobago.

Those are the two main points that were raised. There are a number of other issues, but I believe my colleagues opposite handled them very well and I need not detain this House any further on the issues that have been raised and have been so well replied to by my colleagues, and the young brigade of the People's Partnership which is now at work in this country. [Desk thumping]

12.45 a.m.

Let me indicate to this honourable House that a number of amendments to the Finance Bill have been circulated, and in the committee stage we will be raising these amendments for adoption. Many of the amendments that have been included are really tidying up and clarifying some of the language issues that have emerged in the Bill itself and some of them are also with the view of determining policy. I would like to make reference to two such policy directions that need to be elaborated upon for the purposes of our Hansard, one of which has to deal with covenants as donations. You will recollect that when the Children's Life Fund Bill was passed in this Parliament, we had indicated that we would introduce covenants for that fund from both the corporate sector and the individual sector, and a particular formula was applied.

It was felt, and it was indicated in the budget debate, that this mechanism that was initiated in the Life Fund could be extended to other charitable organizations that may have a similar public character and, therefore, there is an amendment that is before us that will allow that to happen and will include, in addition to the Children's Life Fund, the charitable organizations, educational institutions of public character approved by the President in writing.

The other measure that I would like to make reference to has to do with the question of the tax credit, solar water heating equipment. This was, of course, part of the new thrust, part of the diversification possibilities. It may take some time, but since then we have had discussions with respect to the Innovative Energy Centre in Washington, which has indicated an interest to working with us, in helping the private sector in the Caribbean develop bankable projects in the alternative energy sector. To that extent, the tax credit that is now being enacted
here this morning will be supportive of that measure. We recognize that this is a new frontier. This is an area in which we are moving for the future, and that we will support the tax incentive by having the Innovative Energy Centre located in Washington, which has indicated an interest to work with us to facilitate the preparation of business plans and encouragement of business investment in the sector.

So we must actually read the proposals before us. I was really very, very sad to have heard the Member for Arouca/Maloney, but I think I will be charitable at this stage and simply ask her to read with me the new directions that have been outlined in what the budget holds for us.

Mr. Speaker, the other amendments that we will be proposing at committee stage have to deal largely with the Petroleum tax changes that we have already enunciated and some of them were not included in the original draft because they have been prepared separately, and during the course of the last two days they have all been completed and are included in the amendments before us. So, the amendments are elaborate, but they are meant to deal comprehensively with the fiscal measures that have already been announced.

Let me, therefore, end by saying, Mr. Speaker, that I am pleased that we were able to have so many contributions on so many different aspects of the budget. A new sense of expectation has been reflected here. There is the feeling that we must move faster than we are moving, but there has been no doubt that we are moving and we are moving forward. That is what I have sensed from this debate here today. I want to thank all those who have contributed and look forward to a continuation of the debate on the economic future and prospects for Trinidad and Tobago at the next appropriate time.

Thank you, Mr. Speaker. I beg to move. [Desk thumping]

Question put and agreed to.

Bill accordingly read a second time.

Bill commitment to a committee of the whole House.

House in committee.

Clauses 1 to 8 ordered to stand part of the Bill.

Clause 9.

Question proposed, That clause 9 stand part of the Bill.
Mr. Dookeran: Mr. Chairman, I beg to move that the amendment in clause 9 now become part of the Bill.

Clause 9

In paragraph (c) renumber “(a)” and “(b)” as clause “(i)” and “(ii)” respectively.

In the renumbered paragraph (c)(ii) delete the proposed paragraph (b) and substitute the following paragraph:

“(b) by a senior citizen for the purpose of employment abroad in the service of-

(i) the Government of Trinidad and Tobago;

(ii) a firm registered in Trinidad and Tobago; or

(iii) a company incorporated in Trinidad and Tobago;”

Question put and agreed to.

Clause 9, as amended, order to stand part of the Bill.

Clauses 10 to 15 ordered to stand part of the Bill.

Clause 16.

Question proposed, That clause 16 stand part of the Bill.

Mr. Dookeran: Mr. Chairman, I beg to move that clause 16 be amended as circulated:

Clause 16

In paragraph (b) (ii)—

(a) in the proposed new paragraph (bc), in subparagraph (ii), delete the words “CNG” and substitute the words “compressed natural gas”;

(b) in the proposed new paragraph (bd), delete subparagraph (ii) and substitute the following subparagraph (ii) and the new paragraphs “(be)” and “(bf)” respectively—

“(ii) the acquisition of—

(a) wind turbines and supporting equipment;

(b) solar photovoltaic systems and supporting equipment; or

(c) solar water heaters,
a wear and tear allowance on 150% of that expenditure in accordance with paragraph (b) and sections 11A and 11B;”;

(b) where a certified Energy Service Company has acquired plant and machinery for the purpose of conducting energy audits there shall be allowed an amount of seventy-five per cent of the cost incurred in the year of acquisition, and this amount shall be the only allowance on this expenditure for that year.

(bf) the amount of expenditure not yet allowed under (be) above may be claimed as a wear and tear allowance in accordance with subsection (1)(b) and section 11A and 11B from the following year.

Delete paragraphs (d) and (e) and substitute the following:

"Covenanted donations

27A. (1) Where, in a year of income commencing 1st January 2011, an individual to whom section 17 applies makes a covenanted donation to charity, the individual shall be entitled to claim as a deduction, in ascertaining his chargeable income for that year, an allowance equal to the amount of the covenanted donation paid during that year, not exceeding fifteen per cent of the total annual income of that individual.

(2) An individual shall not be entitled to the allowance under this section where the deed or other agreement under which the covenanted donation to charity is made, has not been duly stamped in accordance with the Stamp Duty Act by the 31st December of the year in which the deed or agreement was executed.

(3) For the purposes of this section, “covenanted donation to charity” means a payment under a deed of covenant or other agreement, made by an individual in favour of –

(a) a sporting body of persons as defined by section 6(2) of the Corporation Tax Act and approved by the President in writing;

(b) an ecclesiastical, charitable or educational institution of a public character, approved by the President in writing; or

(c) the Children’s Life Fund established under the Children’s Life Fund Act, 2010.”
In paragraph (g)(ii)(A), insert after the words “later than” the words “31st December, 2009”.

In paragraph (h), by inserting after the proposed new section 48(B) the following:

> “Tax credit on 48C. Where an individual, in a year of income commencing 1st January, 2011, purchases solar water heating equipment for household use, that individual shall be entitled to a tax credit of twenty-five percent of the cost of the solar water heating equipment up to a maximum of ten thousand dollars.”;

**Question put and agreed to.**

Clause 16, as amended, ordered to stand part of the Bill.

Clause 17.

**Question proposed**, That clause 17 stand part of the Bill.

**Mr. Dookeran:** Mr. Chairman, I beg to move that clause 17 be amended as circulated.

Clause 17  

In subclause (1) -

(a) insert after paragraph (a), the following new paragraphs:

> “(b) in section 10O (6) by –

(i) deleting the word “or” at the end of paragraph “(a)”;

(ii) deleting the full stop at the end of paragraph “(b)” and inserting the words “; and” ; or

(iii) inserting the following new subparagraph:

(c) the Children’s Life Fund established under the Children Life Fund Act, 2010.”;

(b) renumber the original paragraph “(b)” as “(c)”; and

(c) insert after the renumbered paragraph (c), the following:
Allowance for engagement of energy service companies 10P. Where, in a year of income commencing 1st January 2011, a company incurs expenditure in engaging another company certified as an Energy Service Company by the Minister with responsibility for energy, for the purpose of carrying out an audit for-

(a) the design of energy saving systems; and

(b) the installation of the energy saving systems;

in the company, that company shall be entitled to an allowance equal to one hundred and fifty percent of the expenditure actually incurred.

In subclause (2), delete the word “(b)” and substitute the word “(c)”

Question put and agreed to.

Clause 17, as amended, ordered to stand part of the Bill.

Clause 18.

Question proposed, That clause 18 stand part of the Bill.

Mr. Dookeran: Mr. Chairman, I beg to move that clause 18 be amended as circulated.

Delete clause 18 and substitute the following clause:

The Petroleum Taxes Act is amended-

(a) in section 2(1), in the definition of “deepwater”, by deleting the words “one thousand metres” and substituting the words “four hundred metres”; and

(b) by deleting section 15 (4A) and substituting the following subsection:
“(4A) Notwithstanding subsection (4), a person carrying on any production business under a production sharing contract shall not consolidate that business with any other production business where the contract so provides.”;

(c) in section 15A-

(i) in subsection (1)-

(A) by deleting the words “on or after the coming into operation of the Finance (No. 2) Act, 2007” and substituting the words “during the specified period”; and

(B) by deleting the words “on or after the coming into operation of the said Act” and substituting the words “during the specified period”;

(ii) in subsection (2)—

(A) by deleting the words “on or after the coming into operation of the Finance (No.2) Act, 2007” and substituting the words “during the specified period”; and

(B) by deleting the words “on or after the coming into operation of the said Act” and substituting the words “into during the specified period”;

(iii) in subsection (3)-

(A) by deleting the words “on or after the coming into operation of the Finance (No.2) Act, 2007” and substituting the words “during the specified period”;

(B) by deleting the full stop at the end of sub-paragraph (ii) and substituting a semi-colon; and

(C) inserting after sub-paragraph (ii), the following sub-paragraph:

“(iii) under the production sharing contract entered into on or after January 1, 2011.”;

(iv) by inserting after subsection (3) the following subsection:

“(4) In this section, “specified period” means the period during the coming into operation of the Finance (No.2) Act, 2007 and November 30th, 2010”;

(d) in section 22(1) by deleting the words “and marine operations” and
substituting the words “marine operations and marine operations in a deepwater block”;

(e) by inserting after section 25A, the following sections:

“Investment tax credits 26.(1) In computing supplemental petroleum tax, a tax credit of twenty per cent of the qualifying capital expenditure incurred in respect of-

(a) approved development activity in mature marine oil fields;

(b) approved development activity in mature land oil fields; or

(c) the acquisition of machinery and plant for use in approved enhanced oil recovery projects, is a deduction against the supplemental petroleum tax assessed.

(2) In this section-

“mature marine oil field” or “mature land oil field” means an oil field that is twenty-five years or older from the date of its first commercial production;

“qualifying capital expenditure” means-

(a) direct tangible and intangible costs (exclusive of all dry holes) incurred in field development activity in a mature marine oil field or a mature land oil field; or

(b) capital expenditure incurred in the acquisition of machinery and plant as specified in the Fourth Schedule for use in enhanced oil recovery projects.

(3) For the purposes of this section, all development activity carried out in

(a) mature marine oil field;

(b) mature land oil field; and

(c) enhanced oil recovery projects shall be approved and certified by the Minister with responsibility for energy.
(4) A person carrying on production business in a field or project certified by the Minister under subsection (3), shall notify the Board in the event of any changes in the classification.

(5) A person whose expenditure qualifies for a tax credit under this section, shall only claim one such tax credit in respect of that expenditure.

(6) In computing the qualifying capital expenditure under this section, finance, administrative or other indirect costs shall not be taken into account.

(7) A tax credit under this section shall be claimed separately in respect of land operations, marine operations and marine operations in a deepwater block.

Time for claiming tax credits

26A. Tax credits under section 26 may be claimed only in the quarter in which the expenditure giving rise to the tax credit was incurred.

Shortfalls and excesses in tax credits

26B.(1) Notwithstanding section 26A, where in any quarter the amount of the tax credit cannot be wholly set off against the tax assessed for the person in that quarter, the person may request that the unclaimed tax credit be set off in any other quarter within the same financial year.

(2) For the avoidance of doubt, any excess credit shall not be offset against the tax assessed in any other financial year.

Disposal of machinery and plant

26C.(1) Where any machinery or plant in respect of which a tax credit is granted under section 26 is disposed of within three years of the financial year in which the tax credit was granted, the tax assessed for the quarter of the financial year in which the disposal took place shall be increased by the amount of the tax credit previously granted, in respect of the asset so disposed.

(2) For the purposes of subsection (1) machinery or plant is deemed to be disposed of where it is sold, or
exchanged or transferred from production business to any other business or from land operations to marine operations or vice versa or where it is not put into use within three years of the financial year in which the tax credit was granted.”;

(f) in the First Schedule by deleting the words “For every dollar of the taxable profits of a person in respect of petroleum operations—50 per cent.” and substituting the following:

“1. For every dollar of the taxable profits of a person in respect of petroleum operations—50 per cent.

2. For every dollar of the taxable profits of a person in respect of petroleum operations in deepwater—35 per cent.”

(g) in the Second Schedule in clause 6C(3) by deleting the words “on or after the coming into operation of the Finance (No. 2) Act, 2007” and substituting the words “during the period on or after the coming into operation of the Finance (No. 2) Act, 2007 and November 30th, 2010”;

(h) in Part A of the Third Schedule-

(i) in clause 2-

(A) by repealing paragraph (a) and substituting the following:

“(a) where the weighted average crude oil price is U.S. $50.00 per barrel or less, no tax is chargeable;”;

(B) by inserting after paragraph (c) the following:

“(ca) where the weighted average crude oil price is between U.S. $90.01 and U.S. $200.00 per barrel, the tax is chargeable under Columns “A” and “B” of Part B at rates based on the following sliding scale:

\[
\text{SPT rate} = \text{base SPT rate} + 0.2\% \times (P - \text{U.S. } $90.00)
\]

\[
\text{base SPT rate} = \text{Marine “A” - 42%}
\]

\[
\text{Marine “B” - 33%}
\]

\[
\text{SPT = supplemental petroleum tax}
\]

\[
P = \text{weighted average crude oil price in USD;}
\]

(ii) in clause 3-
(A) by repealing paragraph (a) and substituting the following:

“(a) where the weighted average crude oil price is U.S. $ 50.00 per barrel or less, no tax is chargeable;”;

(B) by repealing paragraphs (b), (c), (d), (e) and (f) and substituting the following:

“(b) where a person carries out petroleum operations in a land area under a licence, sub-licence or contract, the tax is chargeable at the rates set out in Column “C” of Part B;

(c) where the weighted average crude oil price is between U.S. $90.01 and U.S. $200.00 per barrel, the tax is chargeable under Column “C” of Part B at rates based on the following sliding scale:

\[
SPT = \text{base SPT rate} + 0.2\%(P - \text{U.S. $90.00})
\]

\[
\text{base SPT rate} = \text{Column “C” Land and Deepwater - 18%}
\]

SPT = supplemental petroleum tax

\[ P = \text{weighted average crude oil price in USD};\]

(iii) in clause 8(1) by deleting the words “Column D” and substituting the words “Column C”;

(vi) by inserting after clause 8 the following clause:

“Sustainability incentives 9.(1) With effect from 1st January, 2011, the rate of supplemental petroleum tax for any mature marine oil field or small marine oil field shall be discounted by twenty per cent.

(2) In this clause—

“mature marine oil field” means a marine oil field that is twenty-five years or older from the date of its first commercial production; and

“small marine oil field” means a field that has production levels of 1500 barrels or less of oil equivalent per day.

(3) For the purposes of this clause, the Minister with responsibility for energy shall certify the following fields:
(a) mature marine oil field; and
(b) small marine oil field.

(4) A person carrying on production business in a field, certified by the Minister under sub-clause (3), shall notify the Board in the event of any changes in the classification.

(5) A person carrying out production business under sub-clause (1) shall only qualify for one such discount in respect of a particular field.”;

(i) by repealing Part B of the Third Schedule and substituting the following:

“PART B

SUPPLEMENTAL PETROLEUM TAX RATES
<table>
<thead>
<tr>
<th>Price U.S. $</th>
<th>Rate %</th>
<th>Land and Deepwater Block</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between $</td>
<td></td>
<td>A B C</td>
</tr>
<tr>
<td>50.00</td>
<td>0</td>
<td>0 0</td>
</tr>
<tr>
<td>50.01 and 90,000</td>
<td>42 33 18</td>
<td></td>
</tr>
<tr>
<td>90.00 90.01 ” 200.00</td>
<td>SPT rate= base SPT rate + 0.2% (P-$90.00)</td>
<td></td>
</tr>
<tr>
<td>200.01 and over</td>
<td>64 55 40”; and</td>
<td></td>
</tr>
</tbody>
</table>

by inserting after the Third Schedule, the following Schedule:

“FOURTH SCHEDULE
[Section 26]

MACHINERY AND PLANT FOR ENHANCED OIL RECOVERY TAX CREDIT

Water injection pumps
Water treating equipment
Filtration equipment
Oxygen scavenging equipment
Gas desorption towers
Chemical scavenging units
Biocide treating units
Accumulator vessels
Steam generators
Compressors
Boilers
Equipment for use in injector wells
Equipment for use in offtake wells
Wells
Installed pipelines
Other machinery as may be specified by the Minister with responsibility for energy”

Question put and agreed to.
Clause 18, as amended, ordered to stand part of the Bill.

Clause 19.

Question proposed, That clause 19 stand part of the Bill.

Mr. Dookeran: Mr. Chairman, I beg to move that clause 19 be amended as circulated.

Clause 19 is deleted and the following clause substituted:

“19. (1) The Value Added Tax Act is amended in section 54A, –
(a) in subsection (1)—

(i) in paragraph (a), by deleting the words “31st December, 2006” and “21st August, 2007 to 30th April, 2008” and substituting the words “31st December, 2009” and “8th September, 2010 to 31st May, 2011” respectively;

(ii) in paragraph (b), by deleting the words “31st December, 2006” and “21st August, 2007” and substituting the words “31st December, 2009” and “8th September, 2010” respectively;

(iii) in paragraph (c), by deleting the words “31st December, 2006” and “21st August, 2007” and substituting the words “31st December, 2009” and “8th September, 2010” respectively;

(iv) in paragraph (d), by deleting the words “31st December, 2006” and “21st August, 2007 and 30th April, 2008” and substituting the words “31st December, 2009” and “8th September, 2010 and 31st May, 2011” respectively;

(v) in paragraph (e), by deleting the words “31st December, 2006” and “21st August, 2007” and substituting the words “31st December, 2009” and “8th September, 2010” respectively;

(b) in subsection (2), in paragraph (b), by deleting the words “21st August, 2007” and substituting the words “8th September, 2010”.

(c) in subsection (3), by deleting the words “30th April, 2008” and substituting the words “31st May, 2011”.

(2) in Schedule 2 by inserting after item 38, the following items:

39(1) New private or commercial motor vehicles
manufactured to use Compressed Natural Gas (CNG).

(2) Used private or commercial motor vehicles,
manufactured to use Compressed Natural Gas (CNG) and
not older than two years from the year of manufacture.

(3) This item expires on the 31st December,
2015.

40. The items contained in the First Schedule to the Customs Act, being solar water heaters for domestic use and other solar water heaters of tariff heading numbers 8419.19.10 and 8419.19.20 respectively.

41. The items contained in the First Schedule to the Customs Act, being photovoltaic cells whether or not assembled in modules or made up into panels; light emitting diodes under tariff head number 8541.40.00”

42. The items contained in the First Schedule to the Customs Act, being wind turbines of tariff heading number 8502.31.00 and parts suitable for use solely or principally with the machines of heading 8502.31.00.”

Question put and agreed to.

Clause 19, as amended, ordered to stand part of the Bill.

Clause 20 ordered to stand part of the Bill.

Clause 21.

Question proposed, That clause 21 stand part of the Bill.

Mr. Dookeran: Mr. Chairman, I beg to move that clause 21 be amended as circulated.

Delete all the words after the words “Taxes Act” and substitute the following:

“is amended-

(a) in section 62A, by deleting the words “as it relates to the green fund levy”; and

(b) in section 64, by deleting the word “primarily”."

Question put and agreed to.

Clause 21, as amended, ordered to stand part of the Bill.

Clause 22.

Question proposed, That clause 22 stand part of the Bill.
Mr. Dookeran: Mr. Chairman, I beg to move that clause 22 be amended as circulated.

Delete paragraph (a) and substitute the following:

“(a) in the First Schedule, by deleting the words “Ex 8708.99.90”, “CNG kits with cylinders”, “25%” and “kg” in the first, second, third and fourth columns respectively and substituting the words “8708.99.20”, “Compressed Natural Gas (CNG) systems”, “Free” and “kg”, respectively.

Question put and agreed to.
Clause 22, as amended, ordered to stand part of the Bill.
Clauses 23 to 25 ordered to stand part of the Bill.

Clause 26.

Question proposed, That clause 26 stand part of the Bill.

Mr. Dookeran: Mr. Chairman, I beg to move that clause 26 be amended as circulated.

In subclause (2), by deleting the words “1 January, 2010” in the Second Column that corresponds to clause 17 in the First Column and substituting the words “1 January 2008”.

Question put and agreed to.
Clause 26, as amended, ordered to stand part of the Bill.

Question put and agreed to, That the Bill, as amended, be reported to the House.

House resumed.

Bill reported, with amendment, read the third time and passed.

ARRANGEMENT OF BUSINESS

Mr. Speaker: Hon. Members, before I call on the Leader of the House, I would like to seek your indulgence to revert to an item on the Order Paper, namely “Introduction of Bills”. Do I have your support?

Hon. Members: Agreed to.
Mr. Speaker: Okay. Continue.

1.00 a.m.

LAND TENANTS (SECURITY OF TENURE) (AMDT.) BILL

Bill to amend the Land Tenants (Security of Tenure) Act, Chap. 59:54

[The Minister of Housing and the Environment]; read the first time

Motion made, That the next stage be taken at the next sitting of the House.

[Hon. Dr. R. Moonilal]

Question put and agreed to.

ADJOURNMENT

The Minister of Housing and the Environment (Hon. Dr. Roodal Moonilal): Mr. Speaker, I beg to move that this House do now adjourn to Friday, November 26, 2010 at 1.30 p.m. I serve notice that on that day it is the intention of the Government to resume the debate on the Interception of Communications Bill. On that day as well, it is the intention of the Government to debate, through all its stages, the Land Tenants (Security of Tenure) (Amdt.) Bill.

Motions on Adjournment

Mr. Speaker: Hon. Members, before putting the question, I would like to inform Members that there were two matters on the adjournment: one from the Member for Diego Martin North/East, who has asked that the matter be deferred; and the other from the Member for Diego Martin Central, who has also asked that the matter be deferred.

Words of Appreciation

Mr. Speaker: Before putting the question for the adjournment of this honourable House, I would like, on behalf of all Members, to express our collective appreciation and thanks to all members of staff of the Parliament. [Desk thumping] They have worked back to back. They left here at 3.00 a.m. and have been back with us from 10.30 a.m. to the present time. I really want to record our collective appreciation to those members of staff.

Question put and agreed to.

House adjourned accordingly.

Adjourned at 1.02 a.m.