

Leave of Absence

Wednesday, September 22, 2010

SENATE

Wednesday, September 22, 2010

The Senate met at 11.00 a.m.

PRAYERS

[MADAM VICE-PRESIDENT *in the Chair*]

LEAVE OF ABSENCE

Madam Vice-President: Hon. Senators, I have received correspondence from Sen. Ted Roopnarine, who was ill yesterday and has indicated that he is unwell and unable to attend today's sitting. Short notice is given, so he will not be here today.

**DR. ROWLEY'S CONTRIBUTION
(CLARIFICATION OF TEXT)**

Madam Vice-President: Hon. Senators, I would like to indicate an announcement concerning yesterday's sitting. Reference was made to the *Hansard* recording of Dr. Keith Rowley's contribution in the Lower House. I have subsequently, had the opportunity to listen to the live recording that was done through *Hansard* and I have had the opportunity as well, to see a revised version. In the contribution, I would like to have it cleared that Dr. Rowley's statement was not in the plural, as indicated in one of the unrevised documents, but in the singular; as in a single "duncy-head first former". Whether we like the merits of the words chosen or not, I think in the *Hansard*, there is a revised version, as well as the clarification. I just wanted to make that clear. Sen. Hinds and myself both had unrevised versions. We will proceed.

Sen. Hinds: In other words, he never said that. Thank you, Madam Vice-President.

APPROPRIATION (FINANCIAL YEAR 2011) BILL

[Third Day]

Order read for resuming adjourned debate on question [September 20, 2010]:

That the Bill be now read a second time.

Question again proposed.

Madam Vice-President: The list of those who spoke on Monday, September 20, 2010: Hon. Winston Dookeran, Member of Parliament, Minister of Finance and mover of the Motion; Sen. Dr. Lester Henry; Sen. Subhas Ramkhelawan; Sen.

Appropriation Bill (Budget)
[MADAM VICE-PRESIDENT]

Wednesday, September 22, 2010

The Hon. Mary King; Sen. Dr. Victor Wheeler; Sen. The Hon. Therese Baptiste-Cornelis; Sen. Helen Drayton; Sen. The Hon. Emmanuel George; Sen. Faris Al-Rawi; Sen. Danny Maharaj; and Sen. Shane Mohammed.

On Tuesday, September 21, 2010, the list of speakers: Hon. Carolyn Seepersad-Bachan, Member of Parliament; Sen. Dr. Rolph Balgobin; Sen. Fitzgerald Hinds; Sen. Dr. James Armstrong; hon. Acting Prime Minister, MP Errol McLeod; Sen. Elton Prescott SC; Sen. David Abdulah; and Sen. Ravi Ratiram. All Members wishing to join the debate may do so at this time.

The Minister of Science, Technology and Tertiary Education (Sen. The Hon. Fazal Karim): Thank you Madam Vice-President, and thank you very much for my second round of applause. [*Interruption*]

Sen. Hinds: Apologize to Dr. Rowley. You should do that.

Sen. The Hon. F. Karim: I see you have already started to interrupt the contribution. Thank you, Madam Vice-President, and distinguished colleagues and a particular welcome to our students in the public gallery.

I first of all rise to join in congratulating the Minister of Finance, the Hon. Winston Dookeran, for presenting to the national community a transformative people's budget that focuses on purposeful priorities, social stability and economic strength. The budget sets the stage for building a definitive link among entrepreneurship, innovation and economic development. In this regard, let me congratulate all my colleagues who have spoken and who have contributed so beautifully to this budget.

I wish also to express my full agreement with our Prime Minister, the hon. Kamla Persad-Bissessar, who said in Parliament that this budget represents:

“A marked departure from the reckless political and economic culture of unproductive development, inefficiency, disorganization and blatant squandermania that were the regrettable hallmarks of the PNM's regime.”

I congratulate our Prime Minister as well on this the first of 10 budget speeches to come between now and the next term, which will be delivered under her leadership. We in this House are also very proud of our colleagues who presented in the other place. We congratulate her on her superb speech to the United Nations on the Millennium Development Goals.

Over the past eight years, budget presentations, to quote the renowned economist Lloyd Best:

“...were exercises in arithmetic and merely accounting statements of revenues and expenditures, with either surpluses or deficits, depending almost entirely on external forces, in particular prevailing energy prices.”

Budgets of the past decades lacked, according to Best:

“...at trigonometry, a calculus and architecture.”

That would have pointed Trinidad and Tobago in a very focused and determined manner like Singapore along a road of excellence, economic dependence and ultimately sustainable development. We continue to propose and debate budgets after budgets, based on oil and gas prices, which are totally outside the span of control and not based on our human capacity within an economy poised for growth and development.

The PNM government liked to talk the talk of developed country status, but when it came to budget presentations, they simply refused, either through lack of will, foresight, imagination or know-how, to walk the walk. They are handicapped in thought and bankrupt of ideas. That is why, without the vast energy resources with which we are blessed, Singapore is at the top and we are behind on every objective, economic, social and developmental indicator. For even our neighbour Barbados, with few natural resources, consistently ranks higher than Trinidad and Tobago on most indices of social and economic development. That is a severe indictment on the management of our economy, between 2001 and 2009. We may even call that period the lost decade, despite the unprecedented wealth which came our way, largely due to another boom in the energy sector. It went like the proverbial dose of salts, as the last boom they had presided over. But the mismanagement of the economy and their attendant wastage extended regrettably to this country's vital human resource capital and in particular to the tertiary sector.

The Ministry of Science, Technology and Tertiary Education is crucial to the creation of an entrepreneurial, innovative, critical thinking, work-ready citizenry that is committed to lifelong learning. Simply put, if the efforts of the Ministry did not succeed, then the boast of ever achieving the so-called developed country status would have been in vain. Regrettably, the former government, if judged not on intent but on policies, on leadership and on performance, achieved over the past decade a grade F, fail. I will tell you why.

Let us, for a moment examine the much talked about GATE programme. Introduced in 2004, the Government Assistance for Tertiary Education (GATE) was premised on the then UNC's Dollar-for-Dollar. But, while GATE expanded,

Appropriation Bill (Budget)
[SEN. THE HON. F. KARIM]

Wednesday, September 22, 2010

very little was done from its inception to ensure proper management and implementation. GATE's implementation was based on the PNM administration's view that once billions were spent, then somehow the goals would be achieved. Spending great sums was an achievement in itself. Nothing else was required.

This reminds me of Sen. Ramkhelawan's question: "Why have we not achieved our potential?" He stated further: "We cannot continue to have free spending in this way." As a consequence, year after year, during the last administration, former PNM Minister of Science, Technology and Tertiary Education boasted about how much money would have been spent. Last year, for example, we were told that:

"In the fiscal package 2009, TT \$6.2 billion has been dedicated to the advancement of these sectors."

But what is the reality?

Last week the World Economic Forum published its Global Competitiveness Report for 2010/2011 and it painted a very dismal picture of our achievements. Frequent references were made to this report in contributions before mine in this Senate. In that report, under the heading "Capacity for Innovation," Trinidad and Tobago ranked 138 out of 139 on an important criteria, and we talk about innovation, creativity and productivity. By any standard, that means a grade F, fail. So much for their vaunted Vision 2020 and their developed nation status. Under the heading "Availability of Scientists and Engineers", we placed an embarrassing 65th in the world; more than US \$2 billion spent on the tertiary sector over a decade and this is the result.

11.15 a.m.

They spent billions of dollars at UTT, whose mandate calls for an emphasis on science and technology—29.4 per cent of those pursuing bachelor degrees are doing so in science, technology and engineering programmes. Surprisingly, of the total enrolment at UTT, this amounts to a mere 16 per cent. This is a significant departure from the science and technology focus on education and the performing arts; another grade F, failed.

UTT offers mainly undergraduate programmes in engineering with a limited offering at both postgraduate and undergraduate levels in science. From the point of view of science and technology which is the usual benchmark for such universities, the figure of 16 per cent quoted above is too low.

Madam Vice-President, you may also wish to note that there were 1,063 students pursuing bachelor programmes in science, technology and engineering during the last academic year, of these only 30 per cent represented full-time students.

We placed 68th in the world in university industry collaboration in research and development; that is 67 countries placed ahead of us. A third F, failed for the efforts under the previous PNM regime.

I would also like to point out that expenditure on research and development (R&D) was less than 1 per cent of GDP, and despite the promises of Vision 2020, nothing has changed; no support for R&D, except for the G-Pan.

Niherst that was poised to lead the national effort in R&D and innovation to vision our needs and create a view of our country 20 years from now and to put in place the R&D that is required to get us there, was emasculated like other institutions; like many others in the pipeline either waiting to be gobbled or intended to be gobbled up. Madam Vice-President, I speak here of Cariri, IMA, Cipriani College of Labour and Cooperatives, ECIAF, John S. Donaldson Technical Institute, TTIT, the Sugarcane Feed Centre all the teachers' colleges and the list of land and real estate may even be longer. Household names with many good reputations are lost forever. We, the People's Partnership, will build on the good institutions we have and fix what needs to be fixed, but not marginalize and decimate them if they have a good reputation. [*Desk thumping*]

This poorly-thought-out grab for power has to stop. Madam Vice-President, some columnists have described UTT as the rebirth for retirees, but we will deal with that matter at another time.

I just want to indicate to this honourable Senate some of the competition as opposed to collaboration that takes place in the tertiary sector. The University of the West Indies Department of Creative and Festival Arts which was developed more than 10 years ago is bursting at its seams with attractive programmes in dance, drama, theatre arts, fine arts, pan, music and film and they cannot find place for their students. Yet the past government provided NAPA at \$1 billion. Whilst I am talking about NAPA, let me just indicate that NAPA is responsible for, among other things—a lot of agencies seem to have their hands in NAPA; the Ministry of Community Development, eTecK, the Ministry of Science, Technology and Tertiary Education and UTT.

Let me just read from a document which refers to a Cabinet Minute of 2009. It is Cabinet Minute 1305 of 2008, and the content thereafter speaks to the following:

Appropriation Bill (Budget)
[SEN. THE HON. F. KARIM]

Wednesday, September 22, 2010

To date, despite the preparation and circulation of a draft contract since 2008 December and several discussions with representatives of the Ministry of Public Administration, the Ministry of Community Development, Culture and Gender Affairs and the Solicitor General, the property management contract as envisaged in the Cabinet Minute has not yet been finalized.

Nevertheless, as has been stated earlier, at the request of the then Government, UTT has assumed full responsibility and, by extension, liability for the management, maintenance and security of NAPA.

In the execution of this responsibility, UTT has incurred expenditure in the amount of \$3,885,470. This is just one of the instances in terms of the kind of expenditure we have experienced in the tertiary sector.

To continue, in technology, we placed 65th with Internet access in schools. I say, within one year of the People's Partnership, this position would be changed. [*Desk thumping*]

Madam Vice-President, those opposite have condemned the policy of a laptop for each student entering secondary schools in 2010. They wish to keep us in intellectual bondage, lacking computer competencies, yet they talk about Trinidad and Tobago becoming a knowledge-driven society. One could be forgiven for saying that with their performance they are out of place to question our laptop policy, which is clearly designed to provide teachers and students with tools as part of the initiative, to enhance teaching and learning and provide the curriculum and administrative support, and not replace what exist currently, but add value to what is being done on a day-to-day basis.

We intend to reverse the backwardness and inaccessibility to Internet knowledge which was condemned under the last PNM administration, but they could find no corruption, as Sen. Dr. Balgobin indicated, in the contract for laptops. Could you imagine if they were in charge of an \$83 million contract, what would have happened? Madam Vice-President, “they cyar take that!”

Madam Vice-President, my Ministry, in response to a question raised by Sen. Dr. Balgobin, will shortly commence training of all Form 1 teachers. That number is 4,500 in total, in cycles of 500 per cycle. The National Energy Skills Centre has set up facilities, equipment and resources to complete such training in a timely manner leading to a certificate in educational technology. Just imagine, in five years 100,000 of our young people would be computer literate, learning programming automation, web development, network connectivity, e-waste management and the list can go on and on.

My Ministry has already started preparing for the future of training in this knowledge economy of Trinidad and Tobago. We plan to stand side by side with the Dominican Republic and Costa Rica in this hemisphere. We will no longer be behind. We will be leading head and shoulders with the rest of those who are in front of us.

Vision 2020 was supposed to transform us into a developed country. In reality, we are ranked 84th on the Global Competitiveness Index behind Singapore which is ranked 3rd and Barbados which is ranked 43rd. Who were they trying to fool? But that is not all.

The Times Higher Education Index which ranks tertiary education institutions globally does not include any provider for the region, far less Trinidad and Tobago in its ranking of the world's 100 top universities. Institutions are ranked by criteria including number of citations, publications, quality of research and patents.

Singapore has two universities in the top 100. What developed country status the previous Ministers of Science, Technology and Tertiary Education are talking about? UWI which is celebrating its 56th anniversary this year at St. Augustine is a first-class university, with areas of world-class excellence that need to be properly resourced so that the St. Augustine education city can become a vibrant cluster of entrepreneurial activity as occurs in Rally Durham Research Triangle in North Carolina. But with three times the student population and ten times the number pursuing bachelor degrees, UWI received a meagre one-tenth of UTT's allocation in respect of capital disbursements between 2004—2009.

Madam Vice-President, as a citizen, it pains to present these global benchmark data, but one needs to unmask the foolishness and propaganda that has passed for success under the previous PNM administration. No attempts were made by them to properly benchmark their output to the very same developed countries to which they aspired.

I now turn to the GATE programme. Despite billions of dollars disbursed, although they said—[*Interruption*—]—as the hon. Attorney General is saying, we would close it down. We have exhaustively said and it is written in black and white in the 120-day action plan of the People's Partnership at item No. 2, that we will secure and expand GATE to vocational training. [*Desk thumping*] Never in the history of this country has that happened.

There was no attempt to match payments with the manpower needs of this country. So while they disbursed millions in the sector, we still had to import doctors and nurses from Cuba and the Philippines, energy specialists from the

Appropriation Bill (Budget)
[SEN. THE HON. F. KARIM]

Wednesday, September 22, 2010

United States of America and Brazil and construction workers from China and Malaysia. Another failed F grade for the PNM. GATE was in no way linked to the national research agenda as you would have heard from Sen. Drayton. In other words, students ought to have been granted incentives for programmes and also for undertaking important and relevant research. The reality is that with less than one per cent of GDP being spent on research and development, we are way below R&D expenditures with developed countries like Canada and Switzerland.

It is noted that under the criteria, country spending on R&D, we were ranked 114th in the Global Competitiveness Report. We have to say thank God they were voted out of office. We simply cannot continue on this developmental path. This would have been a tragedy for Trinidad and Tobago.

Thirdly, there was a significant imbalance due to the fact that 90 per cent of GATE payments were disbursed in respect of academic subjects. Sen. Dr. Balgobin told us yesterday, how we could have developed country status with skewed developmental purposes. Therefore, vocational subjects from the data accounted for less than 10 per cent of GATE payments. How did you expect to achieve developed country status if you lack qualified, technical and technological manpower? How?

It is because of this expenditure mismatch fostered by GATE that the Energy Chamber recently pointed to the urgent need for enhancing workers skills in our vital energy sector. Imagine there is a skills deficiency in our vital energy sector and they were there for nine years before. Although Sen. Al-Rawi would like us to believe that it was only in 2007, but I will deal with that just now.

GATE money was wasted because there were few mechanisms in place to track delinquent students who failed to complete courses or failed them repeatedly and, subsequently, enrolled in courses funded by the Trinidad and Tobago taxpayers. To date, we cannot say, with any degree of certainty, how many students enrolled for courses repeatedly at taxpayers' expense. Tracking mechanisms were inadequate; moneys were recovered, but nowhere near the money that was overspent. There was widespread abuse of the system with lots of taxpayers' money literally going down the drain.

11.30 a.m.

No significant attempts were made to ensure that the graduates of the GATE programme fulfilled their contractual obligations to work in the local private or public sectors after graduation. Some did, others did not, and no one knows for sure. Not data to inform policy. Madam Vice-President, another F, fail grade for the PNM.

Finally, since its inception in 2004, and only until very recently less than adequate attention has been paid to ensure that all programmes paid for by GATE met international quality standards. There continues to be the concern in the public domain, in the talk shows and in the editorial columns, about foreign fly-by-night tertiary providers that are pocketing our GATE moneys—our taxpayers' moneys—and can easily fly out of the country, laughing all the way to the bank like some others who opened other gates and are laughing all the way to the bank in other countries.

Sen. Panday: We will find them. Do not worry.

Sen. The Hon. F. Karim: I ask you, Madam Vice-President, do you think that could have happened in any developed country?

Hon. Senator: No.

Sen. The Hon. F. Karim: And yes, Sen. Drayton, there will be, I assure you, a serious evaluation of the GATE programme and a removal of this “gimme-gimme” syndrome, and an addressing of the skills needs and a return on investment to the taxpayers of this country under a People's Partnership Government. [*Desk thumping*]

It is no wonder that fellow Caricom neighbours have had a view of us, that we have plenty dollars, but no “sense”. Can you imagine how developed Barbados would have been if they had our energy resources? They must be thanking their lucky stars that they do not have a PNM in Barbados. There is evidence to suggest that decisions in the past were driven by the following:

- political expediency;
- public relations goals;
- a complete lack of data;
- a prevailing view that the more money spent, was equated with quality output or goal achievement; and
- a perception that the good times would last forever.

We know otherwise—and the admission of Sen. Al-Rawi, that the PNM has committed political suicide. My best guess, based on all the information that I have seen, is that less than 60 cents on every GATE dollar spent added real value to the country's human resource capacity, our global competitiveness, or the achievement of the very mandate of the programme.

Madam Vice-President, I now turn to the OJT programme. The operations of the OJT programme indicate again a glaring example of a programme that was not well thought out, poorly implemented and inadequately monitored, all leading to a specific waste in some cases of taxpayers' money, although I must admit providing short term valuable work experience. A recent audit of the On-The-Job Training Programme undertaken by the Ministry of Science, Technology and Tertiary Education, frighteningly shows that in 2007/2008, total overpayments to trainees—not staff—amounted to \$890,877. Less than 10 per cent have been recovered, leaving outstanding amounts still to be collected, \$821,155.

In 2009, overpayments were \$748,000, with outstanding amounts to be collected of \$529,000. Today, in the newspapers and on the talk shows, people are calling and asking, and students are asking for their stipends. Madam Vice-President, I want them to ask the PNM, who “buss” the OJT budget just before the election. Simple common sense, let alone business common sense, will tell you, you do not place people if you do not have the money to pay them. And they say “we care”. Do you believe they care?

Hon. Senators: No!

Sen. The Hon. F. Karim: Then they talk about us on this side, having hubris. They invented hubris. From 2006 to the present, total overpayments amounted to \$3.4 million, with \$2.6 million still outstanding. Where is the accountability for taxpayers' money? Such a waste of money! Could it have been used to buy hospital beds? Yes! But the amount I have quoted is not only sufficient to buy beds, they might have been able to build a whole hospital. My friend Sen. Al-Rawi said, it is unfair to expect the policies of the PNM to materialize from 2007—2010; two and a half years, he says. But I ask him: Who was in government before that time since 2001? Maybe he just joined and maybe he is just reading the document, but I am sure he will recognize it was long before that. But overpayments to OJT students represent only the tip of the iceberg. Others include the following:

1. Inadequate monitoring mechanisms to ensure the OJT interns acquire the relevant workplace skills and competencies. Many instead of being true apprentices became gofers at public institutions by their supervisors. I have been advised that quite a few were used by the PNM in the 2007 general election.
2. Close to 90 per cent of OJTs were placed in the public sector, and this meant that interns are not acquiring important private sector exposure. This also means that in its commitment to fully fund trainees placed in the

public sector, while covering 50 per cent of stipends disbursed to those in the private sector, the State funded approximately 95 per cent of these programme. Many public sector jobs have now been replaced by permanent OJTs.

3. Like GATE, there is no system in place to link OJT with the manpower needs of the country.
4. No structured attempt exists to assess and certify the competencies gained by students who completed OJT programmes.

I can tell you. In my previous job we had OJTs, and in some cases they would simply come, spend their time and leave. We are going to change that. We are going to ensure that they are assessed on the job and are awarded with the Caribbean Vocational Qualification, certifying the competency they would have acquired during the period of time there.

5. The previous government without empirical data, increased the length of the programme from one year to two years, leading to the very real danger that the programme, unmindful of its apprenticeship mandate, could have become another permanent state sponsored job creation facility. It was heading there.

That is why the OJT programme will be reviewed in the context of a national apprenticeship system. [*Desk thumping*] It will be better structured, coordinated, monitored and rationalized, and will operate in the context of national priorities and manpower requirements. It will engage the private sector to enroll more OJTs. It will transition towards awarding the CVQ as I have indicated. Given all of this, changing economic times require different strategic responses.

Madam Vice-President, the Ministry of Science, Technology and Tertiary Education is on the threshold of massive restructuring. It could not have happened sooner. In the past, the sector was characterized by the following:

- uneven quality across institutions;
- a plethora of qualifications and standards;
- a total lack of coordination with institutions competing, rather than complementing each other;
- an imbalance between academic offering and vocational subjects;
- a disconnect between what students studied and the manpower requirements of the country;

Appropriation Bill (Budget)
[SEN. THE HON. F. KARIM]

Wednesday, September 22, 2010

- a sector where males accounted for less than 30 per cent of student population; and
- a manifest lack of accountability and transparency, and where procurement policies were honoured significantly in the breach.

Here are just some examples of the mismanagement and lack of co-ordination which characterized the tertiary education sector:

Firstly, over \$75 million is spent annually in rents by various institutions which fall under the purview of the Ministry. While during that period of time, 2004—2009, UTT alone received \$1.3 billion for capital expenditures, billions were being paid to erect facilities in UTT, while over \$120 million was paid during the same period in rents by one publicly funded tertiary institution which does not own a single building. Both have roughly the same number of students, albeit at different levels of study. There was no policy governing the erection or acquisition, or rental of facilities by publicly funded tertiary institutions.

Today, I am questioning, Madam Vice-President, why a university will need to spend over \$20 million of hard earned taxpayers' money on an air-conditioned tent that is grossly underutilized.

Sen. Ramlogan: What! Air-conditioned tent?

Sen. The Hon. F. Karim: To compound the insult, add to that, a \$1.8 billion campus, and I may add, a campus that is located in the east of Trinidad, where 75 per cent of its students will come from the south of Grand Bazaar. I am sure you will hear more about this later on. But speaking on premises, property and rents, there is a guest house in the east—[*Interruption*]

Sen. Bharath: I do not know that place.

Sen. The Hon. F. Karim:—with a high rental value and a rental fee. For over eight months and more, no one or group, has checked into this facility. It is being grossly underutilized. And guess what, incurring high grocery bills at Tru Valu Supermarket. There is also the situation reported of a big spread on the hill of Moka, Maraval, for one person to stay and play at NAPA; another two persons with their families, each staying in large luxurious apartments on the Greens of St. Ann's. I see you are very interested, many more will be spoken of later on.

Secondly, I talked earlier on about competing rather than collaborating. Three publicly funded tertiary providers—I give you this example—competed with each other to provide offerings in the creative and performing arts. UWI has a Centre

for Creative and Festival Arts as I mentioned earlier on. So you have the UWI. UTT proposes teaching performing arts at NAPA, shifting away from its focus from the academy for letters, arts, culture and public affairs. COSTAATT offers associate degrees and degrees in music and performing arts. Madam Vice-President, I ask, can we afford costly duplication? That is three publicly funded institutions competing rather than complementing each other.

By contrast, in the Canadian Province of Ontario, the offerings by publicly funded institutions complement each other. While each university in the system follows a range of programmes, there are marked specializations. The University of Guelph for example, specializes in veterinary studies; the University of Western Ontario in business; the University of Waterloo in engineering and actuarial science; Sudbury in bilingual and native studies; Carleton University in journalism and public administration; and Queen's University in law.

Similar synergies can be found in the City University of New York and in the State University of New York system, but not here in Trinidad and Tobago. The People's Partnership will review all of these programmes. [*Desk thumping*]

Thirdly, in the mandate of the Ministry of Science, Technology and Tertiary Education, near total emphasis was placed on tertiary education at the expense of science and technology.

In this regard, I wish to compliment Sen. Prof Harold Ramkissoon for the launch of the Cariscience Forum yesterday at the Hyatt, and Sen. Prof. Ramkissoon has agreed to provide advisory services through that committee to the Ministry of Science, Technology and Tertiary Education. [*Desk thumping*]

11.45 a.m.

Most of the training in the tech/voc, technical and vocational areas, was at level one and there were significant overlaps and duplication in programmes like MuST, CCC, YTEPP, UWI Open Campus and Community Skills Training Programmes all of which currently do construction skills training at level one. Certification became unclear and students simply hopped from programme to programme in pursuit of stipends and associated benefits. Yesterday our colleague, Sen. Drayton, indicated and advised that the Government should consider revisiting these programmes and looking at the whole aspect of the “gimme-gimme” syndrome. Let me also indicate that we are aiming, the Ministry of Science, Technology and Tertiary Education, the People's Partnership Government, to institute a new data management system that will track students from programme to programme to prevent the abuse of the taxpayer dollar from programme to programme.

Appropriation Bill (Budget)
[SEN. THE HON. F. KARIM]

Wednesday, September 22, 2010

Lastly, the Ministry of Science, Technology and Tertiary Education and Trinidad and Tobago earlier this year almost lost close to \$180 million in EU grant funding. To date the government has only accessed \$4.5 million of a grant of £27.3 million due to what? The absence of an approved policy on tertiary education for which a draft policy was established since February 2005. This has changed with the coming of the People's Partnership Government which has taken steps to make sure that the country has continued access to the \$180 million. What the PNM government could not do in five years we are committed to completing in a matter of months. We will soon be bringing to the honourable Senate for consideration the Green Paper on Tertiary Education, TVET and Lifelong Learning. [*Desk thumping*]

Madam Vice-President, findings of an internal audit of the Ministry identified that, when purchases are made, the items, together with the invoice, order and charge bill/delivery note sometimes do not pass through the stores process system. Further examination showed that the OJT Programme in just one month, September 2009, amounted to \$634,901.29 of supplies not passing through the Ministry's procurement system. The MuST programme, \$1,063,844.04, all just in one month, Madam Vice-President.

I now turn to the National Commission for Higher Education which is coordinating and rationalizing the post-secondary, tertiary or higher education sector. The Green Paper on Tertiary Education, TVET, and Lifelong Learning, proposes the establishment of a National Commission for Higher Education. This body will advise the Minister on all aspects of the functioning and operations of the tertiary education sector and will be specially tasked with the responsibility of eliminating duplication and waste and enhancing coordination and synergies.

The sector will be reviewed to promote seamlessness so that any citizen, once he or she is committed, can advance seamlessly from pre-school to university level in a range of subjects aligned to individual and national needs. The Commission will also seek to promote a research agenda which is vitally necessary if we are to create a knowledge driven and green job society for tomorrow.

Madam Vice-President, I now want to say a few words in terms of pointing UTT to its original mandate. Let me first correct a piece of misinformation perpetrated by the Leader of the Opposition. In a newspaper article published on Saturday July 17, 2010. I quote:

“Karim said that UTT has no place in TT and what UTT should really be is a kind of primary school for (the) University of the West Indies (UWI).”

He may have been indicating that I said UTT graduates will, in future, have to go to UWI for advanced training, suggesting that I was, in effect, downplaying the role and status of UTT. Nothing can be further from the truth. I say to you, UTT is here to stay [*Desk thumping*] but it has to return to its original mandate. It has to return to its original mandate and must review its governance structures to promote academic freedom, shared governance, collegiality, trust and integrity. In brief, Madam Vice-President, UTT cannot and will not be held hostage to the whims and fancies of anyone, political operative or maximum leader. [*Desk thumping*]

Madam Vice-President: Hon. Senators, the speaking time of the hon. Senator has expired.

Motion made, That the hon. Senator's speaking time be extended by 15 minutes. [*Hon. M. King*]

Question put and agreed to.

Sen. The Hon. F. Karim: [*Desk thumping*] Thank you very much, Madam Vice-President. Thank you very much to my colleagues all, on this side and on the other side.

Let me clarify further the Government's position on UTT. One, a forensic audit is being conducted to review, among other things, UTT's procurement policies, hiring practices, agreements with foreign institutions, accreditation and recognition of programmes. This is to ensure that, as we move forward, we do so in accord with best practices. The National Commission for Higher Education will review all offerings at all publicly funded tertiary providers, including those private tertiary level institutions funded through GATE, to reduce duplication and waste. In this context, as in the case with all providers in the sector, UTT's offerings will be examined. In a rationalized tertiary sector, graduates from one institution, if they so choose, can articulate to others and not compete, especially in such a small society like ours. Articulation agreements will facilitate this process.

It may be that more detailed planning is needed to ensure that UTT varies its programme offerings and course content in relation to emerging needs of the new society. We will also expect all our training providers to concentrate on innovation and entrepreneurship but this, of course, will be uppermost in the minds of the new Board of Directors when they assume office.

Appropriation Bill (Budget)
[SEN. THE HON. F. KARIM]

Wednesday, September 22, 2010

Madam Vice-President, I want to turn to the strengthening and rebranding of the Ministry of Science, Technology and Tertiary Education. There will be four elements of this rebranding process. Number one, there will be renewed focus on research, monitoring and evaluation. Two, significant emphasis will be placed on fostering a culture of innovation and entrepreneurship. Three, the science and technology thrust will be strengthened within the Ministry and, four, the ICT capability will be greatly enhanced, consistent with the new approach towards data driven policy formulation to encourage data management and sharing among agencies and institutions.

Madam Vice-President, the Ministry will move from being seen as the one that implements OJT, MUST and retraining to a policy setting, forward thinking and aligned to our future developmental needs. All programmes currently within the Ministry will be repositioned with key training providers to ensure efficiency, accountability, standardization and rationalization of programmes. After having seen seven PNM Ministers in eight years, we will finally get it right, Madam Vice-President. [*Desk thumping*]

In terms of expanding access to tertiary education and TVET, Tobago will not be left out. An integrated learning campus comprising UWI, UTT and COSTAATT will be developed in Tobago. [*Desk thumping*] In the 2010/2011 budget fiscal package, \$5 million has been allocated for this project. We also propose to use technology—videoconferencing—to reduce the cost of programme delivery. Two million dollars each has been allocated for a south campus for UWI and for the establishment of a law faculty. UWI is going south. Tertiary education would become more accessible for those living in the deep southern areas. Trinidad and Tobago, and Trinidad in particular, does not end south of the Caroni River. [*Desk thumping*]

Plans have already been put in place, Madam Vice-President, for the education city in St. Augustine and our manifesto indicated that with the collaboration of the Public Transport Service Corporation (PTSC), we will develop a transport shuttle service for all students coming into the region from the southern and eastern regions so that our children can be taken safely to and from rural communities and on weekends, Madam Vice-President, done under a People's Partnership Government. [*Desk thumping*]

I also want to indicate that skills assessment centres will be located in both Trinidad and Tobago in four competency areas such as IT, agriculture, personnel services and construction. This will increase the uptake of credentialed workers and increase the participation rate that we are seeking to achieve of 60 per cent in

the post-secondary sector. The Accreditation Council of Trinidad and Tobago will develop and be the custodian of a national qualifications framework with oversight from the National Commission for Higher Education. This will provide parity of esteem and parity of recognition for those who choose technical and vocational careers and create further pathways towards higher education. This framework, Madam Vice-President, will seek to integrate all qualifications from nursery to tertiary and allow for a seamless transition from school to work and from work to school. A National Life Skills Programme by levels will also be implemented.

Twelve million dollars has been allocated for a Tobago Workforce Development Centre which will be co-managed by YTEPP and MIC; and for the first time, as well, \$3 million has been set aside in this fiscal package for a Penal Workforce Development Centre. [*Desk thumping*] Technical and vocational training will become more accessible for all citizens wherever they reside. No more, I say no more, will this administration tolerate the discriminations of the past. [*Desk thumping*]

As soon as a new Board of Trustees is appointed at COSTAATT it will be requested to develop a plan in collaboration with the Ministry of Health to make Trinidad and Tobago self-sufficient in nurses by 2015. Beyond 2015, Trinidad and Tobago, like Cuba, should be in a position to meet regional needs for nurses and allied health care professionals such as radiologists and medical laboratory technicians. UWI will also be requested to present a plan to satisfy all our manpower needs for fully qualified medical practitioners within a specified time frame, and UTT, in the context of its original mandate, will be requested to come up with a plan for spawning companies for wealth creation.

The National Commission for Higher Education will be asked to work with the Ministries of Labour and Small and Micro Enterprise Development and Planning, Economic and Social Restructuring and Gender Affairs and representatives of the unions and the private sector to identify the country's manpower needs over the next decade. This data will inform the development of programmes at the tertiary level and will be facilitated through the long proposed reinstating of the Labour Market Council.

12 noon

Madam Vice-President, the Economic Development Board, the Competitiveness and Innovation Council, and the National Commission for Higher Education will be the drivers in the lead of diversifying and transforming

Appropriation Bill (Budget)
[SEN. THE HON. F. KARIM]

Wednesday, September 22, 2010

our economy, and reduce its dependence on oil and gas. These bodies came about out of the manifesto of the People's Partnership, and were critical parts of the budget presentation in the context of our thrust towards economic transformation, investment promotion and innovation.

It is proposed that the Ministry of Science, Technology and Tertiary Education, in general, and the National Commission for Higher Education, in particular, will work very closely with the other bodies as key advisory groups that will drive this economy in a new direction, ensuring sustainability, competitiveness and resilience. In this way, useful synergies will develop that will advance the sector's innovation and entrepreneurial initiatives. Madam Vice-President, I believe that the education of our next generation of innovators and entrepreneurs is a most sacred responsibility which we cannot, and must not, and will not take lightly.

As I indicated, we in the People's Partnership take our responsibility very seriously, and as is clearly indicated and illustrated by the budget, this has seen the post-secondary education and training sectors receive its largest allocation to date. Recurrent expenditure experienced a 10 per cent increase to \$2.3 billion, while capital expenditure experienced a 34 per cent increase with an overall 13.7 per cent increase to the Ministry of Science, Technology and Tertiary Education. This is a clear indicator of the Government's commitment to the development of higher education in Trinidad and Tobago.

We in the People's Partnership, as I indicated, will not make the mistakes of the past. For us, it is not about how many billions we spend, but on what value the nation receives for each hard-earned taxpayer dollar spent. [*Desk thumping*] We will set rigorous return on investment criteria for expenditures in the sector. We will not make the mistake of self-aggrandizement, "ol' talk" and political gallerying or grandstanding and posturing for policy initiatives. It is our respectful view that performance beats "ol' talk" all the time. [*Desk thumping*]

In closing, Madam Vice-President, the former Minister of Foreign Affairs, and now Member of Parliament for Point Fortin, indicated in the debate in the other place that on my recent visit—a hatched one, she said—to the United States and New York, in particular, that I had done so merely to visit some professor or lecturer.

Madam Vice-President, for the information of this House, and for the knowledge of the Member of Parliament, and to clarify this information, among the many tertiary institutions visited, and presidents and senior administrators

with whom I interacted on my visit to the United States, was a very distinguished son of the soil, and president of the largest community college in the state of New York, and in the United States, Dr. Shaun Mc Kay.

Only yesterday, he gave his inaugural speech as president. He heads an institution of over 30,000 full and part-time students, and is from our sister isle of Tobago. [*Desk thumping*] He is the kind of citizen of whom all of us should be justly proud. He represents the kind of high-achieving citizen that the Ministry of Science, Technology and Tertiary Education is endeavouring to produce. And very soon, we will be concluding areas of collaboration with Prof. Mc Kay and the State University of New York, and the Ministry of Science, Technology and Tertiary Education. [*Desk thumping*]

In conclusion, I take this opportunity to thank our Prime Minister, hon. Kamla Persad-Bissessar, for the faith she has reposed in me to head this important Ministry. It is, indeed, a responsibility which I take seriously, and I intend to do all in my power to advance the interest of the citizenry of Trinidad and Tobago. In this regard, I wish to compliment and congratulate all members of staff at the Ministry—some of whom are here this morning—and I say to them, the work has just begun.

Together, we all extend our best wishes to her, the hon. Prime Minister. We are reading now in the newspapers about her outstanding speech at the Millennium Development Goals forum, and we extend our best wishes to her for all success at the most historic meeting of the United Nations General Assembly in New York.

I, therefore, pledge, as Minister of Science, Technology and Tertiary Education, to always heed the call of our distinguished and beloved Prime Minister to serve the people, serve the people, serve the people. And to which, Madam Vice-President, she has now added that now is the time to deliver, to deliver, to deliver. I thank you. [*Desk thumping*]

Sen. Basharat Ali: Thank you, Madam Vice-President. It is my privilege to be able to speak today in now my eighth consecutive budget contribution. [*Desk thumping*] I also thank you, Madam Vice-President, for allowing me to read my contribution today for certain reasons. As I said, this is my eighth contribution. My first contribution, in fact, was when I was a temporary Senator in this House, and that would have been in October 2003, in speaking to budget 2004. A temporary Independent Senator.

Appropriation Bill (Budget)
[SEN. ALI]

Wednesday, September 22, 2010

Today is my first in this First Session of the 10th Parliament. Madam Vice-President, I must confess that I have enjoyed this experience in my super-senior years, because my first appointment was at the age of 70. Madam Vice-President, I think I owe an acknowledgment to various people, and the first one to acknowledge with thanks is His Excellency, Prof. George Maxwell Richards, who insisted that I accept his appointment as a temporary Senator.

I may have been the first, and he told me then that, “I have every confidence in you,” and that is the only kind of position where he can make an appointment in his own deliberate judgment. I have to thank him for convincing me that I could do the job in the first instance. [*Desk thumping*] I thank him and Her Excellency for encouragement during that period of my temporary senatorship which lasted until the end of 2003. I further thank him for the confidence he reposed in me by appointing me as a substantive Senator six months later on January 02, 2004, when there was a vacancy on this Bench.

Thank you to my colleagues on my Bench, particularly the former leaders, coordinators—whatever you choose to call them—Dr. Eastlyn McKenzie and Prof. Ramesh Deosaran. I had a very good relationship with them, and my fellow Senators overall, so I think all of that has contributed to the enjoyment that I have had in doing this job.

Apart from that, I have to acknowledge the staff of the Parliament. I think we would be in great difficulty if we did not have the parliamentary staff, because they really make life easier for us. I thank them also. I thank the people who stop me on the street now and congratulate me now on my contributions; and for that, I have to thank the Parliament Channel because they see me on TV now; they know me.

[SEN. PROF. PATRICK WATSON *in the Chair*]

Finally, I thank my own spouse and two daughters, and my extended family of 12 siblings. I think the hon. Attorney General will understand when you have that level of siblings, and they are always all there for you. So those are the things that come from this, and of course, finally, I must thank God for giving me the health and energy to come here for the past seven years, literally, to address this Parliament; to take part in the business of the Parliament.

No, I am not about to announce my retirement after all those acknowledgments. I hope I still have something to give back to our country, if only by way of my institutional memory, as recently referred to by our hon. Prime Minister in reference to raising the retirement age. So, after that acknowledgment,

I better get down to the business; but before I do that, I have to say one thing about my first contribution.

Out of sentiment, or perhaps vanity, I visited my *Hansard* contribution of October 22, 2003, and was amazed that many of the topics then related to matters on which I have been preparing notes for today's debate, including:

1. Transparency in oil and gas pricing;
2. Methanol to olefins;
3. Gas to liquids projects;
4. Feasibility of aluminium smelter; and
5. Pointe-a-Pierre refinery upgrade.

So those are items which I will address in the course of my contribution.

Let me go, then, to the budget, which is what we are here to discuss; and let me first congratulate the hon. Minister of Finance for a most creditable achievement in completion of a comprehensive budget statement in the short period between assuming office and budget day, September 08. I am aware the cycle for budget preparation begins in earnest in July for a delivery date of, say, mid-September. The constraint of a new incumbent, as he was, would be playing catch-up for a fair part of the available time, to have all the regular documents updated—for example, revised revenue and expenditure, development programme, and so forth. And that would have been a daunting task for any mortal; therefore, kudos to him and to his team, and to the selfless efforts of his public servants who are behind the scenes.

Having said that, we are being asked to assess whether it has been a credible performance, apart from being a creditable performance. I know that on Friday evening, September 17, after the Finance Committee stage, the Appropriation (Financial Year 2011) Bill was passed in the other place after a vote; and the result was 39 for, none against, and no abstentions. A very ringing endorsement, indeed, in my own opinion.

Mr. Vice-President, my personal view as an Independent with no political ties is that it was a good budget, well thought out and presented, bearing in mind the time constraint. Much credit must go to the very learned Minister of Finance for a fine effort. Some of us may have some reservations, downright opposition, or may need some clarification on some proposals, and/or their underlying assumptions. It is in this spirit, I wish to address some of those matters. The budget revenue assumptions, I will tackle first, and I go straight to prices. Price assumptions.

12.15 p.m.

The price of crude oil in the budget is US \$65 per barrel. I assumed this was the weighted average of our crude production. Crude production is not given, but I will come to that. For natural gas the price used is US \$2.75 for one million BTUs. I ask: Is this applicable only for gas to LNG? Questions, but no answers for me.

Natural gas is disposed of in a number of ways or volumes. For example, I assumed that the total is for production at the moment, which is 4 billion standard cubic foot per day. It goes like this: LNG 2.4 billion cubic foot per day, which is 60 per cent of the total; methanol and nitrogenous fertilizers, that is ammonia, urea, et cetera, would be 1.2 billion cubic foot per day, that represents 30 per cent of the total, and power generation, 300 million cubic foot a day, representing 7.5 per cent; steel and small users come to 2.5 per cent, 100 million cubic foot a day. So those are the volumes that I can see for the various industries and power generation, which is quite settled.

The suppliers primarily for gas to LNG are the producers and for gas projects, energy projects as we call them, would be via the NGC. The NGC, in effect, is a buyer and reseller of gas purchased from the producers. I am not too sure of this, but, perhaps, Atlas Methanol Plant, which is owned 63 per cent by Methanex and 37 per cent by BpTT, may be supplied directly. I am not sure, but it may be still via NGC. Is NGC still the sole supplier of gas for all local manufacturing industries? That used to be the policy, the sole supplier and transporter right down to the end user, so I ask that question again. I presume it is the same.

With respect to the pricing of natural gas, in the absence of any clarity of the disposal, how the gas is disposed of, my assumption for oil and gas are: crude oil—and that is based on the West Texas Intermediate, WTI, as we call it, that is the benchmark—and the crude oil price Trinidad mix, in my estimation, would be US \$68.75 per barrel. I arrived at that as follows—and I am saying it like I see it—for the fourth quarter of this year, which is the first quarter of financial year 2011 for us, my estimate, and it is almost an actual now, US \$77 a barrel; for the three quarters, one to three of 2011, I have used the EIA, which is the information arm of the U.S. Department of Energy. That estimate is \$82 a barrel. The weighted average WTI price for the fiscal year is \$80.75 per barrel.

Because our crude oil is lower in quality than the WTI, I have applied a deduct of \$12. Basically, the East Coast crude is supposed to come out even and the south-west crude has about a \$20 deduct. This is why I used a discount of \$12 a

barrel, which gave me then a field value of the Trinidad mix of \$68.75 against the assumed \$65 price. These are just numbers; we will see how it plays out as the year goes by.

Natural gas is a little different; it is benchmarked on a netback basis—the marker is Henry Hub, which is a US price; Henry Hub is in the United States—per million BTU. Under the fourth quarter of the calendar year, I have \$4.35. The price right now is about \$4. The estimate for the whole of 2011 is \$4.76. For the weighted average, Henry Hub, I have worked out \$4.66 per million BTU.

I have given a range for the netback, because if prices are soft you expect lower fixed costs in ocean freight and regasification, et cetera, because otherwise these places are idle. I have assumed, for example, in the lower case, \$2.50 per million BTUs for all these services, right back to the well head. So that netback comes out to \$2.16; that is a high case of costs. If I take a quarter out of that as representing a weaker market, I get \$4.66, which is my average, minus \$2.25 which comes to \$2.41. This is why I said that my price for natural gas, on a netback basis, is \$2.16 to \$2.41, both of which, of course, are below the assumed \$2.75 per million BTUs. This is my guesstimate almost, my best estimate.

I am not saying that anybody else is wrong, but in the Minister of Finance's wind up he gave a figure of \$5.95 from somewhere. I am not sure where that figure came from, but it has been a long time since we have seen \$5.95 at Henry Hub. Although he said that netback was \$3 and from that he has used \$2.75, it may be that we would end up with a deficit revenue on this basis. Nobody can say; he himself said that he did not know. We will see how it goes in the first quarter in this fiscal year of ours. Let us be prepared that we might be in a deficit situation in terms of revenue and then we would have to relook at our expenditure, if we want to keep the total budget deficit together.

For the crude volume estimates I used 100,000 barrels a day. Strange enough, I was using 103, which was the last figure I had up to July, but then I read that BHP Billiton was going to be shutting down for one quarter. The whole of the BHP Billiton and Angostura field are going to shut down for a quarter to redo what they have to redo. They produce close to 14,000 barrels a day of oil and about 300 million cubic foot a day of gas. I do not think the gas is a problem, but with oil if you shut down then you are losing that revenue; we do not have alternative oil production.

When I took into account those 90 days, I came to 100,000 barrels, which happened to be the figure the hon. Minister of Energy and Energy Affairs quoted

Appropriation Bill (Budget)
[SEN. ALI]

Wednesday, September 22, 2010

yesterday, so we are even-steven, pretty well, upon the basis of the oil production. For gas production I assumed 4 billion cubic foot a day, everything going full blast; I do not see why not, so that is where we are from that.

Revenue from the energy sector is where I have a little problem to start with, \$15.2 billion. I kept coming up short when I used the yellow book, *Revenue Estimates*, and we are all familiar with the yellow book. I kept coming up with something like TT \$700 million short. I have not been able to explain why it is short. I thought possibly that one explanation was that among the Ministry of Finance Investment Division numbers would be dividends, et cetera, from a company like the National Gas Company, an energy company, and maybe even Petrotrin. I thought maybe it is that, I do not know, but it is just listed as one number there, under the nonfinancial institutions, Ministry of Finance Investment Division. I really am at a loss to say where it is.

I probed a little as to where the numbers came from and I went right down to the wire checking the last \$5 from this book, attributably going to the Ministry of Energy and Energy Affairs. I said, well, I have assumed what the oil volume is, what the oil prices are that you have assumed in the budget, \$65. I have assumed 10 per cent royalty on that volume for the year, and when I worked it out I came up with a figure of about TT \$1.5 billion. When I look at the numbers for royalty oil and gas, I only see \$1.7 billion in this book. So is it only \$.2 billion we are getting for royalty gas? That is my question. I cannot understand it. I have this shortfall of \$700 million and I cannot see any royalty for—and I am not even converting the oil equivalent when you look at the amount of gas and the royalty figure of 15 per cent. I have a problem with this. I would like to get an explanation from someone.

The quantum and price treatment of royalty—particularly royalty taken in kind; you may know that in 2005, the then government and Amoco Trinidad Limited or maybe BpTT, the successor to Amoco, had an arrangement, because I think they wanted to do Train four. Train four was coming on already so they had to sit and negotiate. Up to that time, because of the old licences Amoco and BP operated, all they got for royalties was TT 1.5 cents per million BTU, so they did have a negotiation.

I go back then to the debate on the 2006 budget, when the then Minister of Energy and Energy Industries, Eric Williams, in his contribution on October 05, 2005—you may want to check out what he said there—gave an exposition on the agreement with BP which, up to that time, paid a royalty of TT 1.5 cents in accordance with its Amoco licence accordingly. The new arrangement was for

payment in kind for gas supplied, so that by 2008 BpTT would have been providing royalty in kind of 185 MMSCFD a day of the volume expected at that time and, thereafter, 10 per cent, regardless of what the production was for export gas going to LNG. He said that the net effect was that we were using a revenue figure for export gas. If you are using a revenue figure for export gas, then we have all our gas going at the same number. I do not know whether that is correct or not; I am asking the question. I understand why we collected royalty in kind, because in all these contracts at that time it was a case of the producer passing on any increases in any of the taxation or revenue collection. If NGC was buying from one party and the Government said, "Okay, I want to increase royalty by 10 per cent", then that cost is passed straight to NGC.

12.30 p.m.

That is why they chose royalty in kind. I know that. That is how it should be, anyway. But how is royalty in kind accounted for, both in volume and price and revenue? I cannot see it and this is why I say that this treatment, et cetera, needs greater transparency and I repeated this as recently as July 06 in my contribution to the unfinished "State of the Economy Motion", that I am fully in support of going to the EITI, contrary to our Humming Bird Gold journalist who was telling our Minister, "Keep quiet, let it be, because we have transparency." I do not know where he sees transparency, because subsequently they say he is asking, "Well what is the split between oil and gas revenue?" If you are so transparent you will know it. I do not know it. You will know it because you are involved in the process.

So this is why I am very pleased to hear from the hon. Minister's contribution that you are well on the way to going back to the EITI. The EITI, for those who may not be too familiar, is Extractive Industries Transparency Initiative. That is what EITI is. We have lost a lot of time and when I was speaking on the Motion on the State of the Economy—and I have always challenged—I said, "Well, if you all are saying that does not apply to us because it really applies to all those corrupt countries, meaning Africa where all kinds of things happen, why do you think Norway, one of the most developed countries in the petroleum sector, went to join the EITI?" I said, "Well, that is to show that they are setting a good example." And they have already gone through a rigorous part of the exercise to get compliance. In fact, the accountant firm, the public accountant—they had selected a number of public accountants and the one who did their thing was Touche—

Sen. Al-Rawi: Deloitte Touche.

Sen. B. Ali: Deloitte Touche. Thank you very much. They are the ones who are doing it and it was a formidable exercise because they had to go and make all kinds of explanations in their accounts from the previous year. I have not been on that website for a little while, so they are into a new year. Once they satisfy the EITI this year then they become a compliant country and for five years they are free.

So that is what we should be aiming at and I say that particularly in the context that we want to sell services. And where do we want to sell services? To new countries like in Africa, et cetera. So we want to sell technical services but you say you do not want EITI. So why are you preaching to them? So this is why I am pleased that we are going to go back to it and I hope we will pursue it vigorously.

Mr. Vice-President, I am still on the subject of revenue. I note that there are a number of proposed incentives for mature fields. I have not really studied the hon. Minister of Energy and Energy Affairs' contribution—I only got it late yesterday, but I read it through quickly—but evidently some of those can kick in from January 01, 2011.

So I wonder whether our revenue assumptions would have taken into account any of those incentives given for mature fields, whether lease out; farm out; whether it is small marine fields in shallow waters, et cetera. So I would like to know what that number is, seeing that we are so tight already on revenue, whether those have been taken into account, because the first thing that happens is those capital allowances, et cetera—before they even start getting more production they will claim it. So that is why I ask the question there.

I want to go to ongoing projects, as I call them and I went back to my budget contribution last year, the 2010 budget contribution in 2009 and I had to manufacture projects because there were none to appraise. So I chose three and I called one, “the good”, the other “the bad” and the third, “the ugly”. You know that: the good, bad and ugly. The “good project” was Methanol Holdings AUM Project. AUM, I think, I asked once whether the AUM is like OM and they said, yes it is. Anyway, that is just an aside.

But that project has held its place as a good project because they have reached the stage where they have shipped their main product: urea ammonium nitrate (UAN32), I think at 45,000 tonnes or something like that as a solution to 32 per cent nitrogen. And their melamine plants; they have two small melamine plants and I think they are pretty well complete. So I congratulate Methanol Holdings

and its processing partner who are the operating managers, Industrial Plant Services Limited—and they are all local; IPSL—for a well executed project, on time and within budget, as far as I understand. Nitrogenous fertilizers continue to do well in the global market and one can follow that from the literature and is a solid addition to our GDP, in my view.

The “bad”, unfortunately for us, is Petrotrin and I softened it a bit last year but having gone back on it I wonder whether I should really soften it. So I have kept it to “bad.” In 2003, just when they were talking in the budget about another Petrotrin upgrade, I said then:

“I have some reservation on what we are going to do there because I do not think we ever had an audit of that first refinery upgrade. When I say audit, I do not mean the financial audit. I mean a technical audit to determine whether we got anywhere near what the consultants said we were going to get in terms of capacity, product quality or otherwise, and if we had not done so, I would have liked to see that being done before we start venturing further into another refinery upgrade which I believe is going to be quite costly. I do not know what the configuration of that upgrade is, but I would suggest that we go very cautiously, especially as I hear that they are planning again to go with a mix of old plants and new plants. I believe our experience with old plants and building within it new plants has not been all that good.”

That is what I said in 2003 and now we come to 2010 and what do we have? We have the gasoline optimization project, as it is called, and the cost of that has gone from an original \$4.94 billion, if I round off, to \$8.21 billion, an overrun of some 66 per cent on that project.

The other major project is also one which I supported, the Ultra Low-Sulphur Diesel Plant, that is to produce diesel with low sulphur and lower aromatics. That has escalated from \$1.08 billion to \$2.47 billion, an escalation of 124 per cent. So from an original cost of these two projects of \$6.025 billion, it is now \$10.676 billion, an overrun on \$4.651 billion, a large number, equivalent to 77 per cent of original cost.

These are essential projects if we are to stay in the refining business, but that level of cost overrun is really unacceptable. I know there is a forensic audit of Petrotrin, but if no misdeeds are found, what would we have accomplished? Going back to my first budget contribution which I read there, I had expressed concern about a revamp of old plants for inclusion into a modern refinery.

[MADAM VICE-PRESIDENT *in the Chair*]

A year ago I spoke about the amount of upgrade work on a cat cracker that will now be 60 years old. The increase in cost of the cat cracker upgrade—cat cracker is: Fluid Catalytic Cracking Unit (FCCU), it is called—to \$2.224 billion from an original estimate of \$.906 billion; 146 per cent increase. That is a staggering increase and the project description from the PSIP states: “This due to a significant increase in scope of works of the FCCU. This was required to ensure compliance with the new engineering codes.”

In other words, its old plant failed their engineering codes so you had to start all over again. That is why we should really have started it from scratch. Scrap that one and start anew. Fluid Catalytic Cracker is a big process, but it is like an old house; you start on it and then you find, you know, you spend more money than if you had broken it down and built it anew.

So in my considered opinion, a detailed technical audit by an independent, competent, multidisciplinary team is essential to ascertain what has happened so we do not make the same mistakes again. Indeed, we cannot afford a repeat. So that is one project. That is the “bad” project and the “ugly” project, the gas to liquids project. I think we all know about that.

Madam Vice-President, it hurts my heart to speak of this project. From day one I had asked why we were not going to the route of proven technology. In 2003 I was speaking of mega GTL plant being undertaken by Shell in Qatar and later if we wanted to go for a small plant, why not a 15,000 barrel a day plant as undertaken by Malaysia.

In fact, when this plant was first announced, not even very senior technical people at Petrotrin were aware of it. I asked them myself on social occasions and they say, “Well, we do not know anything about it.” World GTL must have had strong connections in our country. I was alerted to this when, in an annual NIB report its CEO boasted that this institution had made its first investment in the energy sector. I promptly asked a question to the Finance Minister in this honourable House about the nature of this investment and the answer was that NIB, on advice of its investment committee, had invested US \$10 million in preference shares in WGTL. Can you guess who the chairman of NIB investment committee was? I do not think you need to go too far to guess who the chairman of National Insurance Board was at that time.

Some investment was probably made into First Citizens Energy Fund also, but I am unaware of what that may be. I have in parenthesis here: “I am not as

persistent as Camini Maraj.” I am ashamed of this con job that has been perpetrated on us, but we put ourselves in a position where World GTL's equity contribution was being advanced by Petrotrin and that was why World GTL Trinidad Limited was put into receivership by Petrotrin, as far as I am aware.

This project escalated from TT \$586.5 million to TT \$1952 million. That is by 233 per cent. I do not believe this process will ever work and that view is shared by technical people who have walked away from that project. I hope that there is a speedy arbitration that will see an end to this embarrassing event of our history in the field of refining and petrochemicals, where we do have a good track record.

I had something here on the new project proposal in the budget which is simply: “The Government is evaluating a project to manufacture ammonia and downstream derivatives.” I am not going to speak to it because I, with my institutional memory, thought that this was a project by Ansa McAl which was for ammonia and UAN, but apparently it is not that, and so I await with bated breath, the result of how this bid proposal has gone out.

12.45 p.m.

I would like to caution the hon. Minister of Energy and Energy Affairs that all of these projects that are showing up now might not be what we need to be following too closely. If we go back to 1975 when we had a consultation on “the best uses of our petroleum resources”, we had umpteen projects of ammonia and we took the decision to do only two of those. Even now we have all these dropouts. We had a number of projects from the previous government that are not there, so caution is advised to the hon. Minister of Energy and Energy Affairs.

I would like to speak on the Alutrint project. I have certain credentials for smelter. I spent about five or six years working on aluminium smelter projects, from 1974 to 1980.

I worked with the governments of Jamaica and Guyana, a beautiful concept: regional aluminium smelter based in Trinidad, using alumina from the two countries, their natural resource, and our electricity forming the third natural resource converted into energy. We would have had to build a power plant because as you know, smelters do not use gas; they use power and when you sit to negotiate smelter, the investor does not want to hear about gas. He is saying so many mils. That is what he is interested in. How much that is going to use; whether 10 or 15 or 20 and then you have to work out the price of the gas. When we talk about the gas there is for power, which is why Trinidad Generation Unlimited is there.

Appropriation Bill (Budget)
[SEN. ALI]

Wednesday, September 22, 2010

Let me, from my perspective, say what I see in this project. I have to say in public what I have always said: I am in favour of the 125,000 tonnes per year of aluminium smelter, provided it meets the requirements of the EMA. I said that because the output is supposed to go into downstream, in Trinidad. Everything has changed on that, I believe.

Whenever I said that, I would always say: “dependent on EMA certification being issued”. My information is that they did get a certificate, CEC 1033/2005, on April 02, 2007. I went to the EMA last week because I was disturbed that I did not have the information and I found that out. I further understood other things. I knew that the High Court judgment was in favour of the revocation; that it was appealed and that the decision of the Appeal Court has been reserved for whatever reason. It has been a long time, but that is where the situation is with regard to the law.

Right now, there is nothing we can do about the aluminium smelter because they cannot move on that site, because the law has revoked the CEC. You cannot do anything until you sort out the Appeal Court matter and somebody may decide to go to the Privy Council.

Sen. Hinds: [*Inaudible*]

Sen. B. Ali: No, not as far as I know; not since last Thursday.

As I said, that is why I supported it and, in fact, I have that as public information. I looked at the health report, which was done by a Canadian consultant. It is a huge report, but I read the Executive Summary and, on the basis of those, I was happy to support the plant, provided the proviso always is that you would take all those products and put them into local manufacture.

I have been hearing consistent rumours that the plant would be doubled. Really, this is what has happened. First of all, in the debate in the Lower House, I heard two figures from the Opposition. The hon. Leader of the Opposition said the smelter required 3 per cent of our total gas consumption—120 million cubic feet a day—that is the gas for a 250,000 tonnes-a-year smelter and that the Brazilian partner was willing to take 60 per cent of equity. My question to myself was: What was the trade off? Sixty per cent of output for what? That was one question.

The Member for La Brea spoke very well in terms of technical details—he knew his onions, but he was addressing—

Madam Vice-President: Hon. Senators, the speaking time of the hon. Senator has expired.

Motion made, That the hon. Senator's speaking time be extended by 15 minutes. [*Sen. S. Ramkhelawan*]

Question put and agreed to.

Sen. B. Ali: Time runs out very fast at budget debates. I have fifteen minutes left now. I was speaking about the Member for La Brea who gave a good technical presentation. I listened to him, but he was the first person who spoke about a 125,000-tonnes-a-year smelter. That is the first time I heard from any government or opposition what that size was. He said 125,000 tonnes a year. The gas, he said, was 1 per cent consumption of the total, which would be 40 million standard cubic feet per day. This is the requirement for that smelter.

So the Leader of the Opposition was on a different place from the Member for La Brea. That is why I went back to the EMA and found out from documentation that Alutrint has more or less told the EMA that they want to double the capacity of the smelter and the EMA promptly replied yes. For that you will require a separate CEC, so you have to start the whole process again. Alutrint replied saying that they were very conscious that was what they had to do. There is no difference between the EMA and Alutrint as regards that.

Of course, gas is not aluminium. If the Appeal Court says okay, we do not support the High Court Judge, what will happen? Will Votorantim then stay in the project? That is why I said I do not know how we are going in the way of a smelter project and that is what I await. I cannot make up my mind because as soon as they say a small smelter is uneconomical, we have to go big, they are in trouble; they cannot go anywhere. So, you cannot blame the present government for stopping the work. It is for them to decide with their new partner. Sural did not have money, which is why they brought in these other people. They are a very big company, the Brazilians. That is where I would like to end my contribution on the smelter.

I have nixed rapid rail for a long time now on two grounds: one is that they never did a feasibility study. I refer you to my contribution on September 03, 2007, when I gave a complete rundown as to what it is all about. From the little concept study done by the RITES Group of India, the Parsons Brinckerhoff mess, they never even submitted a final report for the Central Transportation System. I will not go through that because it will take up too much of my time; except to say that all I was saying at that time was: No feasibility study, well, I am sorry, although they kept insisting they could stop any time. They stopped at \$750 million. That is unacceptable.

Appropriation Bill (Budget)
[SEN. ALI]

Wednesday, September 22, 2010

Madam Vice-President, my very good friend, Sen. Prescott SC, spoke yesterday about the retired judges' pensions. I would like to raise that matter, too. I have been following it up for a long time. Let me read a quote from the hon. Chief Justice's address on September 16, 2010. This is what he said:

“It is with sadness that I recall the passing of our retired brother Justice George Collymore who demitted office in 1986 after many years of distinguished public service. We extend our deepest sympathies to his family.

I do not wish to sully this tribute by references to money, but it would be a travesty, indeed, if the State were to allow another of our brothers to slip away without addressing the plight of the retired judges.”

A very potent statement. Without going into anything, the CJ has been supporting it. He talked about it two years before that, in his first opening address about indexation, et cetera, but nobody took him on.

Mr. Vice-President, you may even recall that I raised this matter in this House when we did the Emoluments (Amdt.) Bill on October 13, 2009. I was speaking on behalf of the retired judges. I said that there were retired judges who get less than an entry level clerk typist. These people who we required for 10 years not to work and then not to live in any form of dignity, their widows got 50 per cent of that. That is why my friend was saying that some of these widows got \$400 a month. That is why, when the pension amendment comes up, judges' pensions will always be an amendment. I have felt for them. I have spoken so many times and the previous Attorney General, like Pontius Pilate, said that that was not his problem. I do not know whose problem it is.

Where is the hon. Attorney General? He is right there and I will say to him that we on this Bench would like to meet with you, in the first instance, to discuss the position of these judges.

I do not have the time to do it now, but I have quite a lot of data on these people who really deserve more than we are giving them. They belong, as my friend said, to the vulnerable society at the moment. I feel for them and that's why I have pursued their case with the consent of some of my Senators.

While I have two or three minutes, I wanted to say one thing. We did not say much about the bids which came in, but I have a little problem with the classification of depths—shallow, average, deep. Shallow they say is up to 400 metres, that is 400 x 3, 1,200 feet—1,000 feet more of water—then from 400 metres to 1,000 metres is average; and then above average is 1,000 metres.

1.00 p.m.

I do not know, I find those numbers high for our situation. This is why I am even more confused now. When you look at the bids—I think even the Minister speaks of shallow proposals. They are not shallow. There were two “average” as they have said and the rest were—the others were shallow, NCMA and the NM were shallow. The other two on the east side were called average. But, then if you look at the Q&A; there was a Q&A session on the website which said: What are these two? They said that they are average, but they will receive the concession as if they were deep. That is an odd kind of statement. That is what it said. I took a long time to find out that. We have bids for both. One of the bidders is in fact British Gas. The other I cannot remember. It is a joint venture of somebody. It is all there. We have not seen too many of the details. I think the Ministry has it on its website.

Let us look at it. Let us not be over ambitious with this deep water definition. That is why I hear some people like Mr. Robert Riley talk about ultra deep. What is ultra deep? I have a feeling one of our Government people also talked about ultra deep. I do not know of anything called ultra deep. Those are the ones given at the levels. Let us sort out our position on that.

While we are on deep, let us be a little bit careful that we have a good record. I would recommend you, Members of Government in particular, and anybody else, read the *Deep Water Horizon Accident Investigation Report*. This was prepared by BP Safety Committee. It makes terrible reading. They blame everybody; themselves, Halliburton and everybody. The cement job was not good, the BOP failed to operate. The operating crew did not even realize that hydrocarbon was being emitted, but gas was coming through. Read it, you do not have to be a scientist. I read this and it frightened me. I have said that I am frightened because we are a small country. We cannot afford anything like that. If something happened like in the Gulf, we would be dead. Do you realize what that is? For that period, their leakage was equivalent to our total east coast production, 56,000 barrels per day. That is 4.9, approximately 5 million barrels of oil was let out into the sea. Do you think we can afford both from the ecological viewpoint and from the economic view point?

I said in my first contribution on the state of the economy: “Let us take it slow.” We know the gas reserves are small. Let us take it slow. Let us make sure that all the i’s are dotted and all the t’s are crossed. And even so, these big companies like BP and Halliburton which have been in the field for so long and

Appropriation Bill (Budget)
[SEN. ALI]

Wednesday, September 22, 2010

the supplier of the rig, they had an accumulation of mistakes and that is why I say read this report. It is essential reading. I plan to read it every time we have to do something. It is because it makes me remember.

I am very safety conscious. In the Eighth Parliament, they used to say that I am passionate about safety. I am passionate about safety; I have seen people die, that is why you would find that I would say that. I am always passionate and never assume that okay, all the things are followed. I know my time is almost up. I wish I had about half an hour more. I wish I had more time, because I could not say all that I wanted to say. I think I have touched pretty well on all that I wanted to say.

Thank you very much, and thanks to my colleagues.

Madam Vice-President: Hon. Senators, it is now 1.05 p.m. We shall take the lunch break at this time and resume at 2.05 p.m. This sitting is now suspended until 2.05 p.m.

1.05 p.m.: *Sitting suspended.*

2.05 p.m.: *Sitting resumed.*

The Attorney General (Sen. The Hon. Anand Ramlogan): Thank you, Madam Vice-President. I have the distinct pleasure of addressing this honourable Senate at a rather critical juncture in our socio-economic and political evolution. This evolution was propelled by a convincing 29/12 victory of the People's Partnership on May 24, general election; a victory which I dare say, came in the nick of time to save our beloved country from the total collapse of the well-documented mismanagement of our resources.

Our slogan that "We will rise" echoes in my Ministry, because there are two things that have risen during the tenure of the People's National Movement and that is the two big Cs, crime and corruption.

Over the last few years, we have witnessed a devastating level of corruption never before witnessed; an unbridled and wasteful spending of our oil patrimony that has left us in the throes of economic crunch, when we ought to be on a sound footing to take Trinidad and Tobago to unprecedented heights of economic prosperity. Thank God, we now have a committed and dedicated, honest and patriotic team that wears the symbol of the national flag proudly in this Parliament to rescue this nation. That is why this budget, which was presented by the hon. Minister of Finance is seen in some quarters as a rescue mission.

The People's National Movement has ruled this country for over half a century and many thought change and political revolution would not come in their generation and lifetime. For over half a century, they placed a racial blindfold over the eyes of this nation and continued to plunder the country: O'Halloran, Caroni Racing Complex, Mount Hope Construction and to fast-forward to the Scarborough General Hospital, the Brian Lara Stadium, no change. The emerging evidence shows that the actions and policies of the former government have endangered the very economic well-being and development of our society and it is therefore the job of this Government, under the astute leadership of Prime Minister Persad-Bissessar and the hon. Minister of Finance, to steer this ship on a path of recovery.

When I speak of corruption in the context of a budget debate, it is because corruption impacts negatively on economic growth. Investors are disinclined to invest in a society and a country, where corruption is secreted within the very bosom and soul of the government's structure. It also eats away and erodes that which is available to spend on the citizenry, to ensure that their basic needs are met. Billions of dollars have been wasted and misappropriated: the Ministry of Legal Affairs Towers, the Tarouba Stadium and the 10 projects run by UDeCott, which cost almost \$4 billion in overruns and over 20 years in delayed time.

My colleague, the hon. Minister of Trade and Industry, hon. Stephen Cadiz, pointed out a few days ago, in another place, that there was over \$1 billion dollars in cost overruns for just three projects; \$1 billion for just three projects undertaken by his Ministry. These projects are the Vanguard Hotel, formerly Hilton Tobago; the Hilton Hotel and Conference Centre here in Port of Spain and the Tamana eTeck Park in Wallerfield.

Section 76(2) of the Constitution of the Republic of Trinidad and Tobago vests the Attorney General with responsibility for the administration of legal affairs and legal proceedings in all civil matters for and against the State, which must be taken in the name of the Attorney General and, of course, in criminal matters, the DPP has that power.

My Ministry is committed to carrying out this responsibility, through the development of a modern, legal and regulatory framework and the strengthening of governance and institutional structures in the law and justice sector. Our two core responsibilities at my Ministry would be drafting primary and secondary legislation and reviewing the laws of Trinidad and Tobago, with a view to their systematic and continuous development and reform.

Appropriation Bill (Budget)
[SEN. THE HON. A. RAMLOGAN]

Wednesday, September 22, 2010

Drafting the primary and secondary legislation would be done consistent with Government's seven people-centred development pillars outlined in our manifesto. The Chief Parliamentary Counsel will look after that and the Law Reform Commission will undertake the reform of the laws. If we are to move forward and progress as a modern society, the law must move and keep with the times and to this end, we will augment the staffing of these departments in the coming fiscal year to ensure that it has the required manpower to be able to keep pace with the aggressive legislative agenda that will come before this honourable Senate.

Let me turn, on that one, to the allocation to my Ministry. Of course, like my other colleagues, we would have liked to have had more but for the squandermania that took place, there would have been more to give. But the fact of the matter is, I am grateful for whatever little I got and I will do the best that I can to protect and safeguard the welfare and interest of the State.

I am not as fortunate as my immediate predecessor. In 2008, a budgetary request for \$293 million saw an allocation of \$218 million. In 2009, a request for \$335 million saw the Ministry of the Attorney General get \$228 million. I have been allocated \$190 million. Of course, that figure comprises \$166 million for recurrent expenditure and \$24 million for capital expenditure. I was allocated \$39.25 million for legal services in the upcoming fiscal year.

On the issue of legal services and legal fees, that translates into legal fees in most people's minds—I want to point out that I heard it said in the Upper House that this figure is for friends and family and that it is a large figure. The first point I wish to make is that I have inherited a debt from my predecessor and that debt is to the tune of \$16 million in unpaid legal fees for the past fiscal year. Already, out of this \$39.25 million, a huge chunk of \$16 million was gone before I could have even assumed office. It is an inherited debt.

The English law firm of Charles Russell and Company, a longstanding Privy Council law firm for the state of Trinidad and Tobago, had a bill of £743,000 which had not been paid for years. So, truth be told, the balance that is available to the Ministry for the upcoming fiscal year is really more in the vicinity of \$23 million. Of course, we will make do with what we have. What shall we do and where shall we continue?

2.15 p.m.

The Equal Opportunity Commission and the Equal Opportunity Tribunal have been established at Wrightson Road after outfitting works were completed. The

ministry has also recently completed additional outfitting works on that building to accommodate incoming staff for both the Equal Opportunity Commission and the Equal Opportunity Tribunal.

I recently opened the Tax Appeal Board on Frederick Street, Port of Spain. This is now the permanent home of the Tax Appeal Board, after a very nomadic existence after it was evicted unceremoniously from the Hall of Justice in 2006.

Another key project will be the opening of a south office for the Ministry of the Attorney General and for the Office of the Director of Public Prosecutions. [*Desk thumping*] The first step in a long journey will be taken. A parcel of land has been identified in San Fernando, and we intend to, at least, get the design for that building going in the hope that we can make available to the citizenry, south of Grand Bazaar, those services that are presently offered at Cabildo Chambers in Port of Spain. This People's Partnership is about taking government to the people rather than complaining about the people not coming to the Government. [*Desk thumping*]

Another key project will be the establishment of a special criminal court. That court has been in the planning stages, and is now ready to be initiated as the Judiciary has given its approval for the design brief for this facility. The first phase of that project, I am pleased to say, will start in this coming fiscal financial year. That court will treat with firearm, kidnapping, narcotics offences and also murder. The establishment of this court shall hopefully relieve the burden on the other courts so that this can free up the system.

The construction of the Sangre Grande Magistrates' Court and the Arima Judicial Complex are two key priorities of my ministry for this coming year. The Sangre Grande Magistrates' Court and the Arima Judicial Complex have been delayed for quite some time now, because of the difficulty in obtaining suitable sites. I am pleased to announce that the Ministry of Public Administration has identified a site off Toco Main Road, Sangre Grande, close to the police station, and negotiations are underway with the owner with a view to acquiring the property.

In respect of the Arima Judicial Complex, we have also been informed that a state-owned site at the corner of Flamingo Drive and Lennox Yearwood Express Lane in Arima is also being considered. What we are trying to do is to identify lands owned by the State and see whether we can utilize lands we already own, rather than continue to negotiate for years upon years to acquire lands from private property owners.

Appropriation Bill (Budget)
[SEN. THE HON. A. RAMLOGAN]

Wednesday, September 22, 2010

Let me return to the issue of corruption. Corruption is an evil that transcends all political parties. No one has a monopoly on it. I want to promise the people of Trinidad and Tobago that my Ministry is willing to serve in the coming years and that all allegations of wrongdoing would be scrupulously investigated and vigorously pursued. [*Desk thumping*] The rule of law demands nothing less.

This country faces a crisis of considerable proportion from white collar crime, perhaps more complex and intricate than we have ever seen in the past. Courage is needed, and the continuing probes that I have instituted, whatever the cost, we will pursue them relentlessly because the benefit of a corruption free society and a corruption free government far outweighs hiding and concealing which is what they did for the past eight years under the PNM.

The noise, the demonstration and the protest are not unexpected. Big headline in the *Guardian*, \$13 million for friends and fees! Not a red cent has been paid to date to any of the lawyers on the corruption probe or any of the consultants. Yet we see the voices growing; we hear the protest growing. I understand their anxiety; I understand their distress, because you see, “when you have cocoa in the sun and you see the cloud set up and rain about to fall you have to bawl”.

They who were prepared to conceal corruption while they piously championed their own corruption investigations into the Piarco Airport Scandal, I say to them, what is good for the goose is good for the gander. The principle must remain firm for one and all. These investigations shall continue and they will be relentlessly pursued to get at the truth of the matter, because the overruns, the secretion within the bosom of the State cannot be right for a country that is governed by a Constitution and with respect for the rule of law.

The *Hansard* is replete with references by my predecessors; attorney generals who stood in this very Senate and justified the vast sums spent, legitimately in my view, in pursuing corruption allegations when they were in power. They did that while they turned a blind eye to what was taking place in their own house. As the saying goes, “monkey doh watch he own tail”, but they turned a blind eye and they pursued relentlessly corruption investigations and I salute them for that. It was the correct thing to do, but when the shoe is on the other foot, the principle cannot change. They turned a blind eye to their own corruption, and the fact that they reduced the government and the State to a fat sow with piglets rushing in from every direction to feed and nurse—[*Desk thumping*]

That is why Trinidad and Tobago continues to decline and slip on the Transparency International Corruption Perception Index. There has been a steady decline in our rating in that index. For the record, I join my predecessors and echo

their sentiments that allegations of political corruption must be pursued at any cost. I, therefore, will not be intimidated or harassed or railroaded by the noises coming from the other side in this regard. Those empty protests remind me of the saying; “do so eh like so”.

I have every confidence in the team that I have picked. I am grateful that some of them have recognized it as an “A team”. It is, in fact, an A team and they are working assiduously and in close collaboration with the Anti-Corruption Bureau. In fact, it was the Anti-Corruption Bureau that came to me and highlighted a deficiency that they did not have the necessary expertise in the forensic auditing field and in the legal field to assist them in the probe and investigations that the Anti-Corruption Bureau was conducting.

So, I have been providing the Anti-Corruption Bureau with the resources it requires to conduct these investigations. I remain committed to those investigations and I remain equally amused by the foolish and outlandish statements that seek to challenge and impugn the integrity of the investigators and the investigation. I simply say, what is good for the goose is good for the gander.

These criticisms are ridiculous as they are baseless. Statements will not be taken by non-police officers and then you have to reinvent the wheel. That is why I have mandated them to work with the Anti-Corruption Bureau so that statements will be taken by officers attached to the Anti-Corruption Bureau, because I did not want to repeat the mistake made by the previous regime.

I have inherited corruption investigations that took place under the aegis of the Office of the Attorney General, and the DPP is hamstrung. They cannot act in the way that they want to, because the corruption investigations were conducted by the Ministry without reference to the police service and the Anti-Corruption Bureau. So, what they are saying and the criticisms they are levelling is that they are speaking from their own personal experience without realizing that I am not repeating that mistake. I am not repeating it.

So, the forensic firm that has been hired, AlixPartners, has seven offices in the United States of America, offices in Washington, New York, Los Angeles, San Francisco, Dallas, Chicago and Detroit. There are also eight additional worldwide offices for AlixPartners located in London, Paris, Milan, Munich, Dusseldorf, Ore, Shanghai, Tokyo and Dubai. Their professional staff runs to over 800 consultants and qualified professionals. Two managing directors of the London arm of this firm have been assigned to work on the Trinidad local investigations. As I speak, they are here now meeting with UTT officials; they are

Appropriation Bill (Budget)
[SEN. THE HON. A. RAMLOGAN]

Wednesday, September 22, 2010

meeting with officials from the Sport Company and the Ministry of Sport and Youth Affairs, and these probes are well underway. Have a little patience; you shall see the results in the end.

Madam Vice-President, permit me to correct yet another baseless criticism and yet another erroneous statement. It was said that I received \$13 million for forensic investigation. Permit me to quote from the Estimates of Expenditure 2011, under “Head 23”, page 166, Item 23 which reads “Fees”—forensic investigation fees, “\$7 million”. I do not know where the figure of \$13 million came from. If anybody took the time to read the official record, that person would see that it is \$7 million. I am not handcuffing myself to that and I am not going to be coerced or blackmailed or intimidated into handcuffing myself to that. These probes will continue. I do not know what the final cost will be. What I want to tell you is I intend to recover every last red cent that has been plundered and stolen from the Treasury. [*Desk thumping*]

I, therefore, have great trust and faith in the competence, merit and ability of those whom I have appointed to work with the Anti-Corruption Bureau in these matters. When they say friends and families, I say to them, you know, those who live in glass houses should not pelt stones. Let me remind you of some of the salient and pertinent facts during their tenure.

Madam Vice-President, during the period 2001—2010, the total legal fees paid by the Ministry of the Attorney General amounted to \$84 million.

Hon. Senators: Oh!

Sen. The Hon. A. Ramlogan: That is not for constructing buildings and so on, this is money just for lawyers. Let me give you some of the friendly and familiar facts about these matters. Madam Vice-President, I do not think it will be proper for me to call the names of the multi-millionaires that the PNM created. [*Interruption*] You are right. Not you, but your colleagues who are not here.

Madam Vice-President, one set of law chambers in Port of Spain repeatedly got all the briefs. One senior counsel and two junior counsels were repeatedly retained. They became overnight experts in criminal law, extradition, dog bite man, man bite dog, whatever you had, any kind of case, they became overnight experts.

All the law lecturers at the Faculty of Law—whether they came from the Mona Campus, the St. Augustine Law Faculty—my predecessor, himself, was a distinguished law lecturer. He lectured to me, but law lecturers suddenly got juicy

briefs from the State. They managed to struggle a full-time lectureship while being in the court every day. What can I say? I see the former Minister of Finance, Mrs. Karen Nunez-Tesheira, has suddenly landed a plump job in the Law Faculty in Barbados. It seems as though their connections have run deep within the Law Faculty at the university.

2.30 p.m.

Madam Vice-President, out of those fees that I mentioned—I beg your pardon. The figure of the \$84 million I quoted is not the legal fees we paid out over the 10 years. It seems so large even to me, I made a mistake. The 10 people, just 10 individuals in Trinidad and Tobago during the PNM's reign, 10 individuals raking \$84 million in legal fees. I thought that was what the Ministry spent for the whole seven, eight years. No! Ten individuals got \$84 million in legal fees and they included—when they were accusing about family and friends, they must remember their past, and their recent past at it. Amongst those 10, a former government minister's husband, brother, brother-in-law—*[Interruption]*

Sen. Panday: Sister-in-law too.

Sen. The Hon. A. Ramlogan: That is the one that they fight up with. Could you imagine a minister's husband, a minister's brother-in-law, a minister's brother, law firms with distinct identifiable political connections, given the personalities that served as partners in those firms, distinct political connections, direct access to the government? They were the choice firms to get the most lucrative work.

Sen. Panday: And they want to talk now.

Sen. The Hon. A. Ramlogan: And it is not just about friends and family. I know my hon. friend, Sen. Beckles-Robinson, has asked me to exempt her. I did so *[Holding up finger and waving it from left to right]* willingly. She is not among those 10. She was not favoured. She was not a favoured daughter, but I can tell you, Sen. Fitzgerald Hinds and Sen. Faris Al-Rawi are among them. *[Desk thumping]*

Sen. Panday: Where is Hinds and where is Al-Rawi?

Sen. The Hon. A. Ramlogan: They too benefited. One was on the panel of First Citizens Bank getting work. When you go to mortgage your house, to buy anything, you have to pay for the lawyer's signature. You go there, the secretary prepares the document, you sign and you pay. Poor lawyers who come from poor families, like myself, like Mr. Panday, when you graduate from law school and you top the law faculty, there is not space for people like you and me in this

Appropriation Bill (Budget)
[SEN. THE HON. A. RAMLOGAN]

Wednesday, September 22, 2010

country. You have to have connections; you have to have parents who frequent the cocktail circuit; you have to have a father who could play golf; and most importantly, you must have a connection with the ruling party of the day.

When they say they championed the cause of their people, I wonder what they were doing to the young law students who are graduating and who have student loans to pay. Did they look after them? Ten people got \$84 million in legal fees. My learned friend, Sen. Al-Rawi did not need that money. My learned friend, Sen. Hinds did not need work from the North West Regional Health Authority. A good criminal lawyer if I may say so, but an expert in medical negligence I dare say not. But you see, when they wish to cast aspirations on us and talk about friends and family, let me set the record clear. The Government, and the Attorney General, is not related in any way to any of the persons on those corruption probes, and let them take that. [*Desk thumping*] These are the facts.

Madam Vice-President, the total legal fees paid by my Ministry for the period 2001/2002—2010, amounts to \$213,875,000. That is not including the state sector which I will come to. It is almost as though litigation is artificially created, manufactured and generated to sustain certain individuals, and senior long-standing members of the inner bar are bypassed in favour of a chosen few. They had no qualms in hiring their friends and family, they kept it hush-hush. You may recall when a question was asked in this very Parliament, to explain and give the quantum of legal fees, they said it would reasonably invade the privacy of the individual. They did not give it.

This group of familiar names appears almost as if by rote. They continue to magically appear, time and again whatever the nature, complexity or subject matter. It is almost as if the rest of the legal profession suffered from some unidentified collective intellectual deficiency that they alone knew about. But permit me to give you a few friendly facts and figures from the rest of the state sector.

The Ministry of Health, RHAs: Sen. Hinds, husband of a former government minister, the same one set of chambers; all three persons. All the work went to them. When I say the Ministry of Health, do not think it is little dengue case and stupid case, you know. The Ministry of Health spent \$22.5 million in legal fees just on the Scarborough Hospital project alone.

Sen. Panday: No wonder so many of them so sick.

Sen. The Hon. A. Ramlogan: Then, that \$22.5 million could have helped complete the Scarborough Hospital for the people of Tobago.

The South West Regional Health Authority, 30 briefs to one single firm. All its legal matters to one single firm. North West Regional Healthy Authority, all. Single firm, Minister's husband. The combined figure \$39.5 million.

I turn to the Ministry of Energy. I keep saying to myself, this legal profession is so large, that the law school training graduates, who top the law school every year—and I keep saying that the picture will change when I move to a different Ministry. When I turned to the Ministry of Energy I was shocked. The plot thickened. Alutrint matter, over \$6 million paid to date. Same people. Could you imagine Lake Asphalt—poor Lake Asphalt not known to be a top revenue earner—had a lawyer on monthly retainer for \$8,000 every month. That means whether he does legal work or not, he gets \$8,000 in his pocket. My poor friend, Sen. Prescott SC on the Independent Bench was not so fortunate, I am afraid. *[Laughter]*

National Energy Corporation, Petrotrin—Petrotrin again. Out of 23 pending cases, 17 to one law firm in San Fernando by Petrotrin, and that one law firm, what does it have? A senior member of the former government, a senior member on this partnership board.

Sen. Panday: No wonder he used to treat us so in the House.

Sen. The Hon. A. Ramlogan: National Quarries, same thing. National Lotteries Control Board—I saw a slight variation, I say thank God. National Quarries did not choose those firms. They chose the firm of Alexander Jeremie and Company. Could you imagine, Madam Vice-President, that the firm of Alexander Jeremie and Company is briefed to prepare draft legislation for the National Lotteries Control Board? Could you imagine that the Minister of Health shows that in 2010—that is this year—Alexander Jeremie and Company is retained and paid handsomely for advice on consultation on the Tobacco Bill.

Madam Vice-President, the Office of the Chief Parliamentary Counsel and Solicitor General housed in the Ministry of the Attorney General, routinely provides that kind of advice. But National Lotteries Control Board and other state agencies, they retained the very law firm from which my predecessor came. I do not fault him. I know what the salary is like. I sympathize with him. I am happy that he got through. It is just that I am worried about people like Sen. Beckles-Robinson and other people in the legal profession.

When you turn to the Ministry of Public Utilities, people are attacking Minister Emmanuel George, but this is what needs to be investigated. The street lighting programme, the massive corruption and fraud that took place, that led to

Appropriation Bill (Budget)
[SEN. THE HON. A. RAMLOGAN]

Wednesday, September 22, 2010

the resignation of the Chairman of T&TEC, and the fact that \$2.3 million in legal fees were paid, again, the same pattern continued.

When you go to WASA, it is the same minister's husband, the law firm retained by WASA, Alexander Jeremie and Company. When you go to the Ministry of Public Administration, \$7 million in legal fees. Telecommunications Authority alone, paid out \$6.83 million. Again, Alexander Jeremie and Company featuring, and the same names, same individuals. I tell you, Madam Vice-President, one could be forgiven for thinking that the legal profession has 10 people in this country.

Forty-one matters filed against the State in terms of appeals, again, state work, same people. I thought people would have a heart at some stage in the game, but I turned to UDeCott I saw that they spent \$110 million in legal fees and \$72 million—listen good—out of that \$110 million went to one firm. In other words, one firm got 65 per cent of the total legal bill, and that is not a firm that hires lawyers who climb the social ladder from the depths of poverty in Laventille, Debe, Penal and Barrackpore. No!

It seems to have been forgotten, but let me remind this honourable Senate that \$28.5 million was spent by UDeCott to defend Calder Hart before the Commission of Enquiry into the Construction Sector and related proceedings. After all the squandermania, the waste and corruption at UDeCott, they spent \$28.5 million to defend the man, and they want me to stop these corruption probes.

Sen. Panday: No!

Hon. Senator: Never!

Sen. The Hon. A. Ramlogan: That corruption probe into UDeCott is continuing at a pace, and I thank Sen. Mary King for working in close collaboration with me. We will bring justice to the citizens of this country. [*Desk thumping*] It will come. When I looked at the Uff Commission of Enquiry into the Construction Sector, I looked at it and I said, “Oh, my God.” The same names were retained as counsel to the commission, counsel for UDeCott. Same names again. Young, young “fellas”, wet behind their ears, making tens of millions of dollars. I do not begrudge them that, but when people ask what is the criterion that was used, how you hired these people and so on, I wonder where was that voice when you were in government and they were doing this. The chain of friendship that was built and well-nurtured by the Manning administration in relation to the retention of counsel and legal firms, really reduced itself to a feeding frenzy on the nation's coffers.

Madam Vice-President, one of the first things I did as an Attorney General was to write every single Minister in Cabinet and ask that they provide a comprehensive listing of legal fees spent in the past eight years, the firms and the lawyers to whom these were paid. Many of my colleagues were able to get that information in three months, some of them have not. They have been trying, but some of the state enterprises are a little reluctant to provide that information. But what I can tell you is what I have been provided with to date, I will read it out. In some cases it is just what is pending and current. It is not for the eight years.

Community Development, \$170,000; Ministry of Education, \$54,000; Ministry of Energy and Energy Affairs, \$19.6 million ; NLCB, just for this spending year, \$343,615; NAMDEVCO, \$9.7 million—*[Interruption]*

Sen. Panday: They planting cassava?

Sen. The Hon. A. Ramlogan: I do not know. “Dem lawyers was probably helping dem plant cassava and yam.”

2.45 p.m.

Local government just for 2009/2010, \$1.2 million, that is for community improvement services. Science, Technology and Tertiary Education—UTT, the people who had an air-conditioned tent, ran up to over a million dollars. UTT spent \$1.78 million in legal fees. You have CARIRI, YTEPP and so on. In all it is \$3.1 million.

Trade and Industry—Plipdeco spent \$1.8 million. Total figure 2.3 for that Ministry. We have Works and Transport—well, poor Jack, “I ain’t know what he go say when he hear this.” Nidco spent \$29.48 million in legal fees, Nidco. “They coulda buy ah next fast ferry.” BWIA—\$12.189 million in legal fees. Youth Affairs—\$349,000; Public Administration—\$7 million. In all, the figures I have so far amount to \$624 million in legal fees, and that is an incomplete listing. I rather think that this was a billion dollar industry.

Madam Vice-President, could you imagine that when I looked at my own accounts in the Ministry, from the date the general election was called to the day of general election, in 90 days, \$20 million. Twenty million dollars was paid out in legal fees in 90 days. You draw your own conclusion. However, I dare say it is an inescapable and irresistible inference that you were trying to pay out to so-called friends and family. Maybe they had contacted the Rev. Pastor Juliana and knew what was coming.

You see, that is why they are so up in arms about the corruption probes. That is why they want to sideline it and sidetrack it. They want us to sweep it under the carpet like they did. Madam Vice-President, criminal justice will take its course in

Appropriation Bill (Budget)
[SEN. THE HON. A. RAMLOGAN]

Wednesday, September 22, 2010

this country and, as Attorney General, we intend to join hands with the Ministry of Justice and the Ministry of National Security to improve the administration of justice and eliminate delays. Justice delayed is justice denied and to this end we have provided additional funds to the Judiciary.

You would have heard the hon. Chief Justice complimenting the Government on the fact that we increased the budgetary allocation to the Judiciary. So they will refurbish the Eastern Credit Union building in San Fernando for use by the magistracy and we will provide the resources that they need to improve the efficiency in the administration of justice. [*Desk thumping*]

Madam Vice-President, permit me to turn to a sore topic which is the HCU and Clico bailout. What is the financial situation? As the Minister of Finance stated in his Budget Speech, there is a significant shortfall of assets to support the liabilities of Clico and British American Trinidad which cannot be funded internally by the wider CL Financial Group. In fact, the parent company, CLF, owes Clico and British American Trinidad billions of dollars and it is unable to repay it at this time. As a result, after prior government funding of \$7 billion to distressed CFL entities, it has now been determined that another \$7 billion is needed.

The complexity of the intermingling group assets and the widespread mismanagement made the possibility of recovery extremely difficult. The hon. Minister of Finance and the Cabinet were therefore faced with a challenging task of implementing strategies to maintain stability in the financial sector and act in a manner that would not cause dislocation to a significant portion of the population. This intervention has cost us a lot but we have taken the action nevertheless because we have a deeper understanding and appreciation of the implications and ramifications of this Clico and HCU fiasco.

This fiasco has been caused by reckless corporate governance and absence of proper risk management principles, excessive borrowings both internally and externally, high-risk, speculative investments, poor and untimely financial reporting, and, all of this despite the existence of audited financial statements.

Madam Vice-President, the inadequacy of the financial regulations resulted in insufficient oversight and investigation into this financial giant by regulators. The intervention by authorities was too late and therefore reactive and not preventative, hence the ability and opportunity to rebuild is somewhat limited.

In terms of accountability, the Attorney General is charged with the task of looking after the wrongdoing aspect of Clico.

Madam Vice-President: Hon. Senators, the speaking time of the hon. Senator has expired.

Motion made, That the hon. Senator's speaking time be extended by 15 minutes. [*Hon. S. Panday*]

Question put and agreed to.

Sen. The Hon. A. Ramlogan: [*Desk thumping*] I am grateful to my colleagues on both sides.

In terms of accountability, Madam Vice-President, Clico and British American Trinidad are private companies and the primary responsibility and accountability must be directed at the executives and directors who did not carry out their fiduciary responsibilities, who may have been involved in fraudulent activities. The Government was not under any legal obligation to step in. In the United States of America people are losing their homes and the government is not stepping in, but this Government has a conscience. We stepped in. We will not be able to please everyone but we stepped in with a humanitarian intention to alleviate the distress and anxiety of those at the lower and middle rungs of the social ladder. Rest assured, however, that we will pursue to the hilt those who are guilty of defrauding those persons in Clico of their moneys and we have launched a probe into Clico. We will go after those who defrauded the people of their money. [*Desk thumping*]

This business venture was, by definition, high risk. It was irresponsible and doomed to fail. How the external auditors did not pick it up and signed off on Clico's accounts year after year and sanctioned investments into Clico and gave it their stamp of approval is a mystery. Madam Vice-President, the legal conventions and the vulnerabilities in our regulatory framework at the Central Bank will also be examined and no one shall escape unscathed. [*Desk thumping*]

In this regard, we intend to bring an amendment to the Central Bank Act to vest responsibility for all non-criminal litigation arising out of this financial emergency in the Office of the Attorney General and I will conduct those investigations and pursue those matters in the courts to bring justice, to bring recovery of funds that have been stolen or lost and justice will prevail for the Clico depositors. [*Desk thumping*]

Madam Vice-President, the legislative agenda of this Government includes an aggressive package of legislation to tackle this scourge of crime. The Anti-Gang Bill, 2010 will seek to make it unlawful to be a member of a gang, to be in

Appropriation Bill (Budget)
[SEN. THE HON. A. RAMLOGAN]

Wednesday, September 22, 2010

possession of a bullet proof vest or to participate or contribute in the activities of a gang or to support or invite or harbour or recruit young people in a gang. Very severe penalties will be imposed. The Bail (Amdt.) Bill, 2010 will seek to confer on the court a jurisdiction to deny bail to gang members in limited circumstances.

The Evidence (Amdt.) (No. 2) Bill, 2010 will reform the law to revive the common law doctrine of recent complaint and extend the use of audio-visual recording of statements of both accused persons and witnesses. The Firearms (Amdt.) Bill will increase the penalties for certain offences involving firearms and prohibiting weapons by an average of 50 per cent. The Miscellaneous Provisions (Kidnapping and Bail) Bill, this will amend the Bail Act and Kidnapping Act by increasing the amount of time that a person held for kidnapping can be detained and it would also seek to change the penalty for kidnapping. In my view, the penalty for kidnapping should be life imprisonment, Madam Vice-President, [*Desk thumping*]*—*life imprisonment for kidnapping.

The Miscellaneous Provisions (Remand) Bill, 2010 will increase the period of time that a prisoner can be remanded into custody thereby reducing frequency of court hearings and reducing the need to take them to and from court. This simple measure, Madam Vice-President, which proved so elusive for the past eight years—every 10 days Justice On Time, Amalgamated Security, has to bring prisoners to court because they could only be remanded up to 10 days at a time. They come, the magistrate has to go through an entire list simply—

Sen. Prof. Ramkissoon: Thank you for giving way, Attorney General. Just a question for clarification. In the Minister of Finance's budget statement he mentioned that you have established a legislative agenda for the Parliament but I have not been able to locate that. Can the Minister clarify, based on the number of pieces of legislation that would become involved, what that agenda is and where we can find it?

Sen. The Hon. A. Ramlogan: I am grateful. The legislative agenda for Parliament is presently before Cabinet and as soon as that is approved it will be made available to all Members of Parliament, in advance, so that they can review it and comment and study it as necessary.

So we will increase the period of remand. These bills are currently among the plethora of legislation we are considering. The special court I mentioned will be established to deal with kidnapping and narcotics offences.

Our prison rules, Madam Vice-President, have been with us since 1838. We are operating a prison system with rules that were made in 1838. We intend to replace them with a modern system of prison rules to overhaul the penal system so as to provide prisoners with a real opportunity to turn around their lives and thereby reduce

the revolving door syndrome of repeat offenders and the high incidence of recidivism. We will employ the use of GPS bracelets to assist us to monitor the movements of criminals and offenders who are on bail, in custody or on probation. This is a measure that we hope will help us to reduce the number of repeat offenders. Madam Vice-President, all of this will be done in partnership with the administration of justice.

Among the first duties I performed as Attorney General was to arrange a meeting with hon. Chief Justice and the hon. Prime Minister. Prior to my own appointment as Attorney General, I was among the first off the blocks to publicly give my support to the elevation of Mr. Justice Ivor Archie as Chief Justice of Trinidad and Tobago. This is a matter of public record as evidenced by my column in the *Sunday Guardian* newspaper. I expressed my admiration for Mr. Justice Archie as he then was, his sense of fairness, his sense of balance and his down-to-earth manner.

I have myself, as a lawyer, appeared before the hon. Chief Justice in numerous matters in the Court of Appeal. I have won and lost many matters in that same court. I have appealed his judgments and decisions to the Privy Council and they have reversed and upheld his decisions. We are fortunate to have Mr. Justice Archie as our Chief Justice. The Chief Justice and I have a mutual respect for each other and the offices that we hold. I dare say I enjoy an excellent personal and professional relationship with him and I wish to assure this nation that that relationship shall continue unaffected and that the separation of powers will be scrupulously observed by me as Attorney General and by this Government. [*Desk thumping*] The hon. Prime Minister has already made it abundantly clear that no one shall be allowed to trespass on the turf that properly belongs to the Judiciary. The lines of demarcation are quite clear and they will be deepened and strengthened as we partner with the Judiciary to improve the administration of justice. [*Desk thumping*]

3.00 p.m.

This can and will be done, Madam Vice-President, responsibly, transparently, and without sacrificing the overriding principle of accountability to the people of this country. In closing, I hope that what I have said will convince you and all Members of this honourable House that the People's Partnership administration, led by our visionary and dynamic first female Prime Minister, Madam Kamla Persad-Bissessar, is determined to get it right; and get it right we shall. [*Desk thumping*]

Unlike the last discredited regime, we will not back down in our efforts to make this country a safe place and restore it to the paradise that it once was. Madam Vice-President, we will leave no stone unturned to ensure that there is economic prosperity, personal safety and food security for one and all. I thank you very much. [*Desk thumping*]

Sen. Shamfa Cudjoe: Thank you, Madam Vice-President. I am pleased to join this House in debating the Appropriation Bill for fiscal 2010/2011. Allow me to join my colleagues in congratulating the coalition Government on their first budget presentation. Moreover, allow me to commend the Minister of Finance, Mr. Winston Dookeran, and his team. I recognize that it must have been difficult trying to strike a balance between the politics and the economics, but I commend you in this endeavour [*Desk thumping*]

I would also like to congratulate the public servants who worked so diligently to put these packages together. We commend your long hours, your commitment, your dedication, and your patriotism. And, Madam Vice-President, to the parliamentary staff, thank you for your hard work, your long hours, and for serving us with such professionalism, grace and class. [*Desk thumping*]

Madam Vice-President, as a young person, I look forward to the budget every year, just like every other young person in the youth movement. I have been in the youth movement for about 16 years and we look forward to the budget every year. One section we always look for is that section on youth. Usually, it is put together with youth and sport. This year, Madam Vice-President, that section was filled with only programmes and projects for sports.

I would like to say that I would have liked to see more programmes and projects in the area of youth development, strengthening youth organizations, and youth programmes. I commend the efforts in the mentoring programme for young people at risk. I commend the efforts in programmes for young people in sports, but I was looking forward also to more programmes for the young people who are already on the right foot—debate competitions. I know when I was in the youth council, we were looking at exchange programmes between young people from Trinidad and Tobago, and looking to extend them beyond the Caribbean, so there will be that cooperation and collaboration among youth leaders. So I urge you to look into that.

Madam Vice-President, do not get me wrong. We are thankful for the laptop initiative; for the integrated campus in Tobago; for the expansion of the GATE programme and for putting some control on the GATE programme, because I am one who believes that it was exploited to some extent. [*Desk thumping*] And one interesting thing about the GATE programme, though, is that every time we talk about the GATE programme, the UNC has a way of getting up and reminding us that the GATE programme—[*Interruption*]

Sen. Baptiste-Cornelis: Who is UNC? People's Partnership.

Sen. S. Cudjoe: The People's Partnership, yes, thank you. No, but also, members of the UNC would remind you that this came out of the UNC's "dollar-for-dollar". It is important to note that there is nothing wrong in building on the foundations of something else. [*Desk thumping*] It seems like we come into Government and we want to break down everything that went before and start all over again. A lot of times we are wasting time, we are wasting resources and we are frustrating the people's reserve.

Another thing with the dollar-for-dollar programme, although something is better than nothing, I could speak for the family I came from; coming up in the family of eight children and a single parent, because my father had passed. If you do not have a dollar, you do not know where the next dollar is coming from. [*Desk thumping*] So, I commend the PNM administration in that regard for giving free accessible education, where every creed and race could easily have access to—[*Interruption*]. Did you go to a retreat this summer? Act like it, please.

Madam Vice-President: Senator.

Sen. S. Cudjoe: Yes?

Madam Vice-President: Just a gentle reminder. Address your contribution to the Chair, please.

Sen. S. Cudjoe: Thank you, Madam Vice-President. On education, Madam Vice-President, I join Sen. Dr. Balgobin in saying that we should strengthen our local institutions so that we could develop programmes and deliver programmes that suit our development need. A lot of times, we find also for the GATE programme where funding programmes come from outside of the Caribbean—coming from outside of our country—and we are pumping money into their economies and putting a strain on our foreign exchange. That is something we would want to look into.

You see in the newspapers; programmes from SITAL, University of London, Anglia Ruskin, and they have the nerve to put on the papers, they are not affiliated to Trinidad and Tobago. When you pay money to them, you pay it in pounds, so money is going out from us to them.

The young people are concerned about the OJT programme also. A lot of them have not been paid since July/August and they want to know what is going on with the OJT programme. They hear about it going to be shut down, or to send them home. I think the new phrase for that now is to revamp and restructure the programme. There is need for some clarity in that regard.

On the issue of youth crime, I want us to remember that—a lot of times we say that these young people, those young people, with this bad behaviour. We have to remember that these young people came out of our homes, our

Appropriation Bill (Budget)
[SEN. CUDJOE]

Wednesday, September 22, 2010

communities, our churches. They look at us. Even here within this Parliament, we have to know how to conduct ourselves because they are out there looking at us. And if we are responsible for discussing the nation's business at the highest degree, and we are behaving in a manner that is not befitting of good politicians, or good role models, or good leaders, then you cannot expect anything better from the young person at home, looking at you throwing comments and fighting across the floor. [*Desk thumping*] So I want us to keep that in mind.

Another thing is that we keep politicizing the crime problem. I do not want to join the debate in saying that it was the PNM that started to bring down crime, or it was—you cannot put politics in crime; you cannot talk about a reduction in crime or politicizing the crime, because we are not where we need to be yet; and until we are where we need to be, we need to shut up and get working. [*Desk thumping*]

So, with that said, Madam Vice-President, allow me to turn to Tobago. It would be remiss of me to speak on Tobago without firstly complimenting the hon. Prime Minister for finally meeting with the Chief Secretary of the Tobago House of Assembly to discuss matters that are pertinent to Tobago's development.

Sen. Al-Rawi: She opened the letter.

Sen. S. Cudjoe: Yes, she finally opened the letter after two months. So we thank her for that and she apologized for it; so, in my opinion, apology accepted and we look forward to a more harmonious relationship with the People's Partnership and the Prime Minister. Madam Vice-President, the Baptist people in Tobago like to sing this song:

“I have a sword in my hand; help me to use it now.”

I think in Trinidad they sing that song, too. Madam Vice-President, today, I have a sword in my hand. Help me to use it now.

Madam Vice-President, this is the Tobago House of Assembly Act, No. 40 of 1996. It provides the membership, powers and functions of the Tobago House of Assembly; the institution responsible for facilitating growth and managing development in Tobago. It is not the sharpest of tools, and I would be the first person to admit that. But sometimes, it does not depend on the sharpness of the tool. It is not about the sharpness of the tool today. It is about the skill and the strength of the fighter. [*Desk thumping*]

This budget, Madam Vice-President, boasts about two things, especially as it relates to Tobago. It boasts about consultations to ensure inclusiveness and it boasts that Tobago has been allocated the highest amount in the history of this nation. Allow me to address these issues, Madam Vice-President; and allow me to use my sword as a guide. Let me proceed.

The People's Partnership promulgates: "never before has Tobago seen a party so caring, so loving, so concerned about its development". And every chance they get, they remind Tobagonians about how much they love them.

Sen. Ramnarine: We love them.

Sen. S. Cudjoe: Madam Vice-President, after the May 24 election, so much has happened to cause us to question this love; to question the depth of this love; and to question this marriage of convenience. Or should I say inconvenience? [*Desk thumping*]

Madam Vice-President, September 8 marked the beginning of a strong and heated debate regarding the budgetary allocations for the Tobago House of Assembly and for Tobago, by extension. Out of a budget of \$49 billion, the biggest budget in the history of this nation, Tobago was allocated \$2.5687 billion. The Tobago House of Assembly received \$1.975 billion and an additional \$593.2 million. When you add that together, you get \$2.6 billion for Tobago. The Chief Secretary of the Tobago House of Assembly stated, "This is pretty much what we had expected, therefore there is no cause for celebration and there is no cause to cry."

Madam Vice-President, the Minister of Tobago Development—yes, the Minister of Tobago Development; the one who is responsible for all matters relating to Tobago, including all the items under the Sixth and Seventh Schedules of the Tobago House of Assembly Act—the hon. Minister reports, she is particularly pleased with the amount that has been allocated to Tobago. She fought so hard so that Tobago could get the largest piece of the national pie. That is the largest amount ever allocated. "How could you be unhappy when you have received the largest ever?"

Madam Vice-President, old people say ignorance is bliss. If the Minister were to do her research, she would have seen that the Tobago House of Assembly received the largest allocation in 2009, \$1.993 billion, from no other than the PNM administration. [*Desk thumping*] Let us go through the figures together. Fiscal 2007, \$1.64 billion, which represents 58.7 per cent of the budget—58.7 per cent of what we had requested; 4.03 per cent of the budget. Fiscal 2008, \$1.756 billion. This represents 61.86 per cent of what we requested; 4.03 per cent of the budget. Fiscal 2009, \$1.993 billion. This represents 68.36 of what we requested; 4.03 per cent of the budget.

Sen. Bharath: And how much did you get this year?

Sen. S. Cudjoe: I am getting there. Stay with me.

Sen. Al-Rawi: Do not let them stop you.

Sen. S. Cudjoe: Stay with me, please. Fiscal 2010, \$1.78 billion. This represents 61.83 per cent of what we requested; 4.03 per cent of the budget. And this year, fiscal 2007, \$1.975 billion. This is 54.35 per cent of what we requested; 4.03 per cent. So, Madam Vice-President, the THA got the highest allocation in the history of the nation in 2009, \$1.993 billion, under the PNM administration. [*Desk thumping*] Also in that year, they received the largest volume of recurrent programme resources to the Tobago House of Assembly. It was also in 2009 we received the highest percentage of the amount we requested.

3.15 p.m.

Madam Vice-President, it is this year that the THA received the lowest percentage of what was requested, not under PNM, but under the People's Partnership with a percentage falling from 68 per cent to 54 per cent. [*Crosstalk*]

Hon. Senators: Shame!

Sen. S. Cudjoe: Let me go on, because time is of the essence.

Minority Leader Ashworth Jack, the political leader of the Minister of Tobago Development, reported in the news that he did not think it was enough. I found that quite strange, because I thought he would have been instrumental in deciding what the figure would have been. I wanted to get some more details, but he ran away to the mountains of Kenya, Kilimanjaro and I could not find him. By the time he returns, the public would have forgotten, his colleagues would have forgotten and the media would have forgotten. I really would have liked to know what he was talking about.

I was even surprised by the Minister of Finance, a venerable economist, who announced that the figure would bring the total sum to \$2.568, 5.24 per cent in total of Government expenditure, which was significantly higher than the 4.03 per cent as required by law; not true; shamefully. A Finance Minister who has been in this House for so long, but I will go ahead. [*Crosstalk*]

The law he referred to are sections 56 to 58 of the Tobago House of Assembly Act, which speak to the establishment of a Dispute Resolution Committee. In the year 2000, the Dispute Resolution Committee came up with a range of 4.03 per cent to 6.9 per cent of the national budget to cover both recurrent and development allocations for the financial year, for the THA. It is important that we understand that this is for the THA and not for Tobago.

Some may be curious as to why we had to go to the Dispute Resolution Committee. In 2000 there was a coalition government, something similar to now;

the UNC in Trinidad and the NAR in Tobago, hand in hand, but the NAR Tobago House of Assembly was being treated so badly, they had to take the UNC to the DRC. We were receiving about 1.8 per cent, then.

I think, Madam Vice-President, if a man has some children with a woman, the only reason she would carry the man to court is if he is not “minding” his children. That would be the only reason I could see them taking the UNC to court. [*Crosstalk*] We must remember that this is only for the THA and not for Tobago.

What the Minister of Finance and the Minister for Tobago Development did was to add the amount for the other ministries operating business in Tobago to the THA and then multiply it and call it 5.23 per cent. [*Crosstalk*] So we were fooled again. We need to know that the same 4.03 per cent received every single year after 2000, is the same received this year. We did not receive anything more from the PNM in allocations and we did not receive any more from the UNC. So that was the reason you heard the Chief Secretary say that was what we expected, because everybody keeps tipping the line when it comes to Tobago; “Once I get to 4.03 per cent, that is it.” We commend you for having the decency to, at least, follow the law and give us 4.03 per cent. [*Desk thumping*]

I want to join the people of Tobago in saying that we have difficulty with a proposition from the DRC that not only sets artificial limits to the resource flow for Tobago, but effectively ties the spending of the Assembly to what obtains in Trinidad, even though our development circumstances are so different.

Section 43 of the THA Act calls on the Government to consider the stage Tobago is at in our development in giving us that extra allocation. So when we in the THA look at the budget, we do not sit and say, “I wonder what the allocation to the THA is going to be,” because we are accustomed to the 4.03 per cent, and we hope that one day we move beyond that. We look forward to the Dispute Resolution Committee and what extra commitments you have made, that section 43 of the THA Act which calls on you to consider the development of Tobago, use your conscience and be practical in giving that allocation in making extra commitments. This year, the People's Partnership has not mentioned but one extra commitment, other than a project of mischief, \$500,000 to have a competing process to change the THA Act, but I will get to that later.

Over the nine years under the PNM, I will give you an example of some of the extra commitments that were made: the Cove Dual Fuel Generating Plant, US \$100 million in investment to Cove; the construction of a gas receiving metering station at the Cove Eco Industrial Park, \$500 million from the PNM and a

Appropriation Bill (Budget)
[SEN. CUDJOE]

Wednesday, September 22, 2010

processing plant at Cove, \$300 million. That is love; you cannot say you love and not show love. If you say love and you are not showing love, you are looking for "horn".

Hon. Senators: Aaay! [*Desk thumping*] [*Crosstalk*]

Sen. S. Cudjoe: It is that extra commitment from a harmonious relationship between the PNM-led THA and the central government in Trinidad. They followed three steps that screamed through this document: first you endorsed that Tobago's development was critical; then you consulted the THA, and then you provided the necessary funding; screaming through this document. [*Crosstalk*] These are laudable commitments and these initiatives were achieved through the collaboration and due consultation with the THA.

Madam Vice-President, every representative that came here to serve Tobago, did so diligently and made sure that what Tobago needed, it got. [*Desk thumping*] Those are the persons who deserve the salute: Mr. Orville London; Eudine Job; Rennie Dumas; Stanford Callender; June Melville, Cynthia Alfred, and the list goes on and on. Those are the people who deserve a salute.

It is the responsibility of the Government to seek Tobago's development thrust. Are we going to get that this year? You have to put your money where your mouth is. You cannot just complain that there are unfinished projects; you have to put your money where your mouth is. [*Crosstalk*] You want to see Tobago develop, you love Tobago, put your money where your mouth is. [*Interruption*]

Madam Vice-President: Hon. Senator, I am just going to guide you. I know you are very enthusiastic in your contribution, but please be guided with parliamentary language in terms of the use of words that may be considered a little unparliamentary.

Sen. Al-Rawi: Such as? We heard the Prime Minister say that yesterday.

Sen. S. Cudjoe: Thank you, Madam Vice-President, for your guidance; I appreciate it.

Each project that requires funding was grossly underfunded this year; the Scarborough Library, \$40 million requested, \$2 million allocated; Shaw Park Cultural Complex, \$100 million needed, \$5 million allocated; the Scarborough Hospital, \$200 million needed, \$65 million allocated.

Madam Vice-President, let us talk about the Scarborough Hospital. I was informed that the THA officials met with the Prime Minister and they discussed the instrumental role these facilities play in delivering services to Tobago. We would also remember our walk-through on television, a slap in the face of Tobagonians. I was informed of a Minister of Health who came to Tobago and asked, ‘Is the media here? I am not doing this walk-through unless the media is here.’ Since when does the media work with the Government? [*Crosstalk*] That is my information. [*Crosstalk*]

The Prime Minister endorsed the initiatives and agreed to the necessary steps, including but not limited to, the provision of the necessary finances. It was very surprising days after these cordial discussions to see the Prime Minister, among merchants of mischief, making allegations on television about funds going down into a black hole.

Madam Vice-President: I want to clarify; I am not hearing you. Are you saying "merchants of mischief"? Is that the word? I am trying to clarify.

Sen. S. Cudjoe: Yes, Madam Vice-President.

Madam Vice-President: Please be guided by my earlier ruling.

Sen. S. Cudjoe: Madam Vice-President, did you hear the context in which I used the word?

Madam Vice-President: Yes. There seems to be some confusion in what I simply said before. I did not rise to guide you when you said the word “horn” as in “those persons are the ones deserving of horn”. “Horn” is a colloquial word that is really not considered parliamentary in that context.

In your use of the words “merchants of mischief”, are you referring to persons in particular or are you referring to an activity of any Member? You have to be clear and be guided, so that when you refer we can clarify the issues if they are raised.

Sen. S. Cudjoe: Thank you, Madam Vice-President. I will continue because time is of the essence.

The Scarborough General Hospital is an interesting case. Members would have alluded to the fact that the PNM had promised this project in 1956, but the question must be asked: Was the PNM continuously in office after 1956? The UNC came, the NAR came, the DAC and all such other alliances and the project was still there to be done. There is something that we need to take note of, it was the UNC that did the designs,

Appropriation Bill (Budget)
[SEN. CUDJOE]

Wednesday, September 22, 2010

chose the site, conducted the surveys and put up flags flying on the site for years. So when we start talking about no IC units and no CT scans, we are actually reading the old plans of the UNC. [*Crosstalk*] You need to read the updated designs of the PNM, which includes a two-bedded adult ICU, neonatal ICU and CT scan machines.

I want to endorse some comments made regarding a TT \$7 million per bed comment; it is accurate information. You see, we cannot be fast and loose with erroneous information, that could ruin our reputations. As honourable parliamentarians, if we do so, we run the risk of being called “Lady Blah Blah” and that is not becoming of a reputable politician. If we do our research, we would see that the cost per bed for institutions of equal quality in the US is \$1.5 million (USD) a room, which times six would be TT \$9 million per room, so we are well within the boundaries of \$7 million per bed. [*Interruption*] The price of \$9 million does not include the outfitting.

Sen. Baptiste-Cornelis: Madam Vice-President, Standing Order 34. You were making some statements about "per room". She gave a quote per room and ours was per bed.

3.30 p.m.

Sen. S. Cudjoe: Madam Vice-President, I corrected myself. I am going to move on because my time is running down. I said per bed. Anyway, I am going to go on. They say there is no laundry at the hospital. The new hospital will have a laundry at Shaw Park and if we are so concerned about a laundry for the hospital, when we requested \$25 million to build it and we got \$2 million that is something that should be taken into consideration. We set up ourselves and we call ourselves watchdogs for Tobago, but to be a watchdog you have to be quick on the draw; you have to have your eyes and your ears open; you have to be ready to bark and ready to bite, or else somebody will bite you.

Madam Vice-President, at this point I want to thank the health workers who work hard to deliver services to Tobagonians and the visitors. I heard comments about babies being wrapped in foil, but if we do our research we will find out that a foil hypothermia blanket is a piece of life-saving equipment; one of the best of its kind so that the baby would keep its temperature in the case of newborns, and I would also inform you that the Scarborough Hospital right now has both incubators and foil blankets.

No health care in Tobago? Tell that to the cancer patients who now receive health care in Tobago; tell that to the people at the new dialysis clinic; at the new heart clinic; the new eye clinic and it goes on.

I will go right on to mention that the new hospital will have four fully operational theatres. It is a turnkey contract this time. The People's National Movement heard the cries of the people of Tobago that were deaf to the ears of the UNC, the NAR and DAC.

Let us talk about overruns. The first contract for the hospital that was designed by the UNC was given to NH contractors. Variations were made and they wanted to still pay them at the same old price for the variations being made also. There was a breakdown in communication that caused arbitration. So we went to court; we lost the case and over the time of the litigation the building would have been exposed to elements resulting in corrosion, damage of electrical wires and so on. TRHA would have assessed the needs and made recommendation and developed new services and new methods for delivery. That caused us to have to get another company to do it, which is China Railroad Construction at a new cost of \$447.667 million.

Now, I had a hard time going through this so I would like to put things in simpler terms. In other words, if you go to the shop to buy a Tea Time and a Tea Time cost \$2, if you go and you pay \$10 for the Tea time, that is a cost overrun. But if you go, you get a Tea Time, a Bongo, an Orchard and you get these other things and you spend more money, then that is not a cost overrun, because you get more. So with this new turnkey project, we get the building and we get the equipment also. [*Desk thumping*]

I move on to tourism and economic diversification. This area is grossly underfunded and it is very crucial to Tobago as we are diversifying our economy. The Panday administration has worked harmoniously with us to resuscitate the sector, also the PNM administration, and according to page 45 of the coalition's manifesto, it pledged about working collaboratively with the House of Assembly for the tourism sector. If you are so concerned about that, what about luxury rooms for Tobago? This was mentioned in the budget and that is the place where the Tobago House of Assembly, you collaborated with—that is where we learnt about these luxury hotels to be provided. Then we had to tune in to Channel 5 to hear the Minister for Tobago Development talking that these hotels will be in Culloden and Lambeau. That is where we learnt about this. Tourism falls under the Fifth Schedule in this same Act so the Tobago House of Assembly has the responsibility for it. And we are collaborating and bringing government to the people? If you are genuinely concerned about luxury rooms in Tobago, you will fix the Vanguard Hotel. Talking about the Vanguard Hotel, now—

Sen. Bharath: Cost overruns.

Sen. S. Cudjoe: Cost overruns. That is right. So bad, so bad.

Sen. Bharath: PNM cost overruns.

Sen. S. Cudjoe: Umhm, umhm—Vanguard. I listened to the way they set up my friend. You see, Dr. Delmond Baker, the junior Minister in the other place, that is a personal friend of mine, from my village, and they set him up. I will tell you how. This is in his speech:

“...in its construction, they”—meaning the PNM—“made several errors. They put the hotel in the wrong spot. That was not recommended by even their colleagues in the Assembly, and the people of Tobago, but they went ahead because it was cheap. It was in their benefit or their interest; or the contractors' interest; or their friends' interest. And added to that, putting the hotel...close to the seashore, they used the wrong materials, in true PNM style.”

Ho, ha, ha. Stop your bow, Mr. Fiddler.

Hon. Senator: That is unparliamentary, you know. Be careful.

Sen. S. Cudjoe: I am sorry if that is unparliamentary. Madam Vice-President, I think that they should have informed the hon. Member that this was a UNC project. The Prime Minister was a prominent member of the UNC at that time and should have been probably able to direct the junior Minister. Instead, they set up my friend, and I have a problem with that. These are the kinds of things you talk about when you sit down around the campfire in your little retreat.

At that point in time, 1995, Minister Wendell Mottley was the Minister of Tourism; Mr. Robert Bermudez, then chairman of Tidco and Mr. Ian Lalchan of Angostura, conceptualized the construction of a high end hotel in Lowlands on lands owned by Angostura. Mr. Kirk Ifill was the then CEO of Tidco. In December 1995 the PNM lost the election and in company with Angostura, Guardian Holdings and later Hilton International, undertook construction.

Soon after the UNC came into power, Mr. Ishwar Galbaransingh was appointed chairman of Tidco; Mr. Vishnu Ramlogan was appointed CEO at a reputed salary of \$100,000 in 1995. Karamath Construction was engaged as the contractor. It was under the UNC that the contract was signed to Karamath and it was under the UNC the operators' agreement was signed with Hilton, with 10 per cent operating revenues, plus a profit incentive, terms unheard of in the hotel franchise business. The hotel was completed in June 2000, also under the tenure of the United National Congress. There was no provision in the contract for the maintenance and upgrade of the hotel, which resulted in deplorable conditions of the hotel.

Sen. Al-Rawi: Which government?

Sen. S. Cudjoe: The UNC and the NAR. So this is why the PNM administration had to pay so much to secure the Vanguard. The terms and conditions gave no authority to the government or to the Assembly. It was almost all entirely a "big boys of UNC" project of the Vanguard.

At that point in time NAR was in the THA and remember it was a coalition government that they had there. Not one of the representatives in Tobago were consulted; not one of them; no Tobagonians on the board; it was simply a UNC and UNC financier project. No THA person on the board; no Tobago person on the board. And if there was a Tobago person on the board, I dare that person to step forward. This repudiates the need for consultation with the Tobago House of Assembly.

Sen. Al-Rawi: Modus operandi.

Sen. S. Cudjoe: And that is our concern with the UNC and how they run their business.

Now we are talking about airlift. Virgin Atlantic is threatening to remove its second flight because it is in need of the luxury—the same Vanguard Hotel. That is your baby; that is your brainchild. You would know how to bring it back better than I do.

The Vanguard was also built for the US market and we asked for \$150 million to complete the project; we got \$15 million to complete your project. This one is for the young Senator who spoke regarding the airlift, that is hon. Shane Mohammed. He came to Tobago one weekend and he did not see any international flights on the ground. So you came to Tobago for one weekend and gave a snapshot analysis of the whole tourism sector. If I could inform you, Condor comes to Tobago on a Wednesday; British on a Monday; Virgin on a Thursday; Monarch on a Wednesday.

Hon. Senator: And he chose to go on the weekend. [*Crosstalk*]

Sen. S. Cudjoe: Madam Vice-President, Madam Vice-President [*Crosstalk*]

Madam Vice-President: Just allow the Senator to continue her contribution.

Sen. S. Cudjoe: Madam Vice-President, when the PNM came into office in 2001, there was one flight, British, travelling to Tobago on a Monday; one international flight. And I need to remind you that all of these negotiations for the airplanes to come to Tobago—the international flights—were done in collaboration

Appropriation Bill (Budget)
[SEN. CUDJOE]

Wednesday, September 22, 2010

with the Tobago House of Assembly by the People's National Movement. I want to also remind us that in 2005 we had 5,000 international seats per week. We improved the jetty in Scarborough to improve cruise tourism. In 2001 when we came in we had 10,000 per year; in 2009 we had 70,000 under the stewardship of the People's National Movement. [*Desk thumping*]

Sen. Al-Rawi: Seven-fold; seven times.

Sen. S. Cudjoe: Now, as we know tourism is very important to Tobago and we are trying to develop employment in that area so we have made a deliberate decision to develop Cove as a matter of urgency. We got insufficient funds for that project also. Eighty million dollars was already used and now we are in the process where you only need to construct the factory cells innovation centre, incubator. We were given only \$5 million for that project. And we love Tobago, “don’t” we?

We sent a letter requesting tax breaks; no response; not even an acknowledgment of that letter. Now you are having tax breaks for this mysterious building up of growth pole number five. Fire station at Cove announced in the budget, this is where the Tobago House of Assembly learnt of this project. And you are supposed to be bringing the government to the people? As a matter of fact, the Tobago House of Assembly Act requires that you collaborate with the Tobago House of Assembly. If the Ministers had done their homework they would have found out that, one, we had made no provisions for a fire station at Cove, and we have already identified land at Friendship Estate for a fire station. So here you are, stepping in, doing your own thing; no collaboration with the Tobago House of Assembly and when things get sour, you know what you do? Blame the PNM. A mysterious growth pole number five; an insult to Tobago and the Tobago House of Assembly. If you do your research you would have known that we already have a North-east Tobago Development Plan in keeping with the mantra: “Clean Green, Safe and Serene”. And it is in the budget presentation that we learnt about your growth pole number five. Somebody must have whispered that to somebody and they said: Let me put it inside here.

We had already done the feasibility study; already consulted the community; all we need now is the funding. The people of that area are confused; they are calling in, asking questions: Is this really about the development of Tobago or is this something for the UNC financiers to step in and do the same thing that they did with Vanguard? Here we are, slap in the middle of our area that is clean, green, safe and serene, the pristine countryside of Tobago; we have a development plan. How do we know if it is in keeping with our CGSS theme?

The Minister would have made comments about revising the Aliens Landholding Act. Maybe she was too busy looking through her window to see if Mr. Manning would check the Chief Secretary to know that it was repealed and replaced by the Foreign Investment Act.

3.45 p.m.

I must comment on this Buccoo goat pen, which is in the centre of the junior Minister's constituency, Tobago West. I am from Bethel/Buccoo. We have begged the Assembly for a facility to keep our goat festival, which has put Tobago on the map. We cried out to the Robinson administration, the Denoon administration, the Charles administration; but it was the Orville London/PNM administration that heard our cries.

This is truly a community project; every single stage from design to the actual built of the project. The Buccoo Village Council was consulted. Members were involved in this project; members even worked on this project and you come now and call it a goat pen? Tobago people will not forget that.

The cassava project is in keeping with our drive for economic development—

Madam Vice-President: Hon. Senators, the speaking time of the hon. Senator has expired.

Motion made, That the hon. Senator's speaking time be extended by 15 minutes. [*Hon. S. Panday*]

Question put and agreed to.

Sen. S. Cudjoe: I thank you, Madam Vice-President. I move to the cassava project. The goodly Sen. the Hon. Mary King will tell you she was a consultant to the Tobago House of Assembly regarding the—

Sen. King: May I just clarify that point? A company of which I was chairman, Mary King and Associates, was connected with that project.

Sen. S. Cudjoe: Anyway, Madam Vice-President, we were looking for someone to root for us because Tobago's cassava products, including its farine—Tobago was accredited by Caricom as having one of the best qualities of farine and cassava products; so we are trying to move forward in that direction. We were looking for some help from someone who knew the project all too well. We got \$500,000.

Let me talk about CEPEP and URP. We were given \$8 million and \$16 million, respectively. This is only enough to keep us for four months considering that we

Appropriation Bill (Budget)
[SEN. CUDJOE]

Wednesday, September 22, 2010

have been promised better working conditions and all the promises made on the campaign trail. Are we supposed to send home CEPEP and URP workers? Where are we getting the money to pay them according to the new standard?

I move on to salaries for public servants. When you consult with public servants by the end of the year and their salaries most likely would be increased, would we be receiving more moneys to pay them? You have axed the tax and, in 2009, Tobagonians would have been paying \$3.8 million in tax. In 2011, we are expecting \$9.9 million. Where is that increase coming from?

We already pay at a higher rate on land values from 1950. Are you going to change your mind and increase the tax, or are you going to increase land valuation? Where will you get this \$6.1 million?

These are the questions I had expected my colleagues from Tobago to answer, but they came to the Parliament trying to get mileage and trying to entertain their friends.

Madam Vice-President, I remember the Member for Tobago East on the campaign trail saying: "I will be no dumb dog to Trinidad". Imagine a campaigner assuring her people that she would go down there and work to the highest degree. In her maiden speech, when it was time to lift her voice and hands and give a loud bark, she oinked, demeaning the people of Tobago for the amusement of her friends.

Madam Vice-President, let me remind you of the birth of the TOP. The TOP came into being with the idea that the Tobago part of the PNM was being bullied by Trinidadians. They came as the real Tobago deal to set us free. They promised to uplift us. There was a strong Tobago focus. Somewhere now within the People's Partnership, the Tobago focus is lost because it is no longer to uplift Tobago, but to belittle the Tobagonians and the Tobago House of Assembly.

This year was the year Tobago was to get the highest allocation. I remember when we got these positions, everybody was so happy; it was all over the news that we have five Tobagonians in the Parliament who would be working for us, but now we do not see that.

I am talking about this project of mischief where \$500,000 was given for a project, to amend the Tobago House of Assembly Act, to the Ministry for Tobago Development, and the Minister for Tobago Development made a statement that a report was being commissioned by the TOP and would be submitted for further consideration.

This is a competing project with what has already been installed in 1995, the John Prince Commission, working on the Tobago House of Assembly Act, a process that involved the communities. All the parties in Tobago would have met at Mount Irvine and come up with a committee to work on this. There were people like Dr. John Prince, Dr. Eastlyn Mc Kenzie, Dr. Rita Pemberton, Mr. Carlos Dillon and Mr. Russell Martineau SC. They have been working diligently on this.

Out of the blue, the People's Partnership gives \$500,000 to form a competing process, handled by a political party. Since when does one political party handle the affairs and determine the future of a whole island? This is the same Member for Tobago West who was on the TV and Hi-5 Reloaded at night, Channel 5 saying: All we need to do is change the Constitution and call an early election. That is the same Chief Secretary want-to-be, self-appointed watchdog of the Tobago House of Assembly.

Madam Vice-President, when you come from Tobago, there is a certain “broughtupsy” you come with. You are told to have the strength, fortitude and pride in being a Tobagonian that nobody who just visits Tobago for a weekend could know about. You are told to take Tobago in your upward journey and never to forget Tobago. When you come to fight on the national stage, you fight with an extra “umph” for Tobago. This was supposed to be something good for us.

What is surprising is the new posture of this Minister for Tobago Development, who created a scenario that the Chief Secretary does not want her to work. That was said in her contribution on the budget. Indeed, her priority is about position and authority. On August 30 she issued a press release to the radio station saying: I was commissioned to take the salute at the Independence Day parade. That is her concern—and she is working for Tobago—to take the salute at the Independence Day parade. I was advised by a chief person in the regiment to take the salute; and then constantly remind you that: I am number six on the protocol list; the Chief Secretary is number 23.

Madam Vice-President, Mr. Orville London came to Trinidad and was in the Parliament. Mr. Rennie Dumas, Mr. Stanford Callender, Mr. Robinson, Mrs. Deborah Moore-Miggins, Dr. Eastlyn Mc Kenzie came, and I never knew their position on the protocol list. I am not sure they even knew or cared about their position on the protocol list.

In my last six minutes, this is the classical scenario. We were given a scenario of children from Soweto in the other place. This is a classic; it is a slap in the face for Tobagonians. This is a classic example of an elevated field slave who has to

Appropriation Bill (Budget)
[SEN. CUDJOE]

Wednesday, September 22, 2010

constantly remind you: As a “massa” now, obey me; who has to constantly remind you of their position: “I am in charge of all your affairs; you must ask me for what you want”; and then gives you welts on your back so that you remember their position. There is a saying: The ones whom the gods will destroy, they first make them vex.

Never had a people been insulted by their representative like this; but this life has a strange way of giving every man according to his portion. They say once a man, twice a child; I say once a parliamentarian, twice a villager. Because you came out of the belly of those people and you shall return; so you must be humble in your service.

This world of politics has quick revolving doors. You are in today and you are out tomorrow. It has a strange way of chewing up and spitting you out.

In closing, I would like to urge the Minister of Finance that you have a whole year for discussions with the Tobago House of Assembly for the 2012 Budget; that is if you are around that long.

I remind the hon. Prime Minister of sections 30 and 31 of Act No. 40, the Tobago House of Assembly, that require frequent and regular consultation with the Chief Secretary. I urge her to make that happen. Next year, around that time, we should not be having this kind of discussion. We should not even have to be dealing with a Minister for Tobago Development who, every minute the Prime Minister has to say: Excuse me! May I have a private word with the Chief Secretary, please?

To the People's Partnership team, you are expeditiously building a stellar reputation in disrespecting the Tobago people. I point to your failure to consult with the Tobago House of Assembly for the budget exercise. I point to the show put on by your colleagues in the other place. I point to the recent attempt by the Minister of Justice to embarrass the Chief Justice, a Tobagonian. What is the beef of this People's Partnership with the Tobago people? I have a serious problem with that. In order to properly serve the people, you have to first respect them; so respect Tobago people.

Why should I limit it to just Tobagonians? Respect all the people; respect all the people; respect all the people. It is only after you accomplish that, you can truly serve them.

Madam Vice-President, I sincerely thank you.

The Minister of Food Production, Land and Marine Affairs (Sen. The Hon. Vasant Bharath): Madam Vice-President, the Senator started so well. Thank you for allowing me the opportunity to participate in this most important debate; the first I am sure of at least 20 consecutive debates that will come from the People's Partnership.

I wish I could respond to the hon. Senator from Tobago because Tobago really is my favourite place in the world. However, due to the exigencies of time and the contribution I have to make in my substantive subject area, I am unable to respond to the exuberant—I say it in the best possible way—refreshing and entertaining contribution of the hon. Senator. I am sure that my colleague, Sen. Embau Moheni, will be able to deal with a number of those issues.

4.00 p.m.

Let me, before I begin, congratulate the hon. Minister of Finance for presenting a document of great clarity and I think most of all, of great courage. Because it effectively would have taken someone with his experience, his expertise and his skill to accomplish what he has. This document that has been presented to the Lower House first and recently this week, to the Upper House, marks a radical departure from the vacuous, directionless statements of the last eight years. It moves away from slash and burn economics. It moves away from boom and bust economics and it confronts the issues head on; issues that have hung, like the PNM I might add, like albatrosses around the necks of the citizens of Trinidad and Tobago for quite some time and it has now repositioned our economy to once again grow and to finally breathe.

Finally, the issues of Clico, the HCU, the dreaded property tax, the rapid rail and the smelter have been put to rest; whilst, at the same time laying out this Government's plans for growth through development in the areas of manufacturing, tourism, agriculture and energy.

I would also like to take the opportunity to congratulate you, as many of my colleagues before me have, for your tempered even-handed and impartial manner in which you handled the business of this Senate. You further impressed today in your most gracious explanation, of Dr. Rowley's statements made in his budget response. I think, for those of us and the listening audience who have been listening and looking on, you have done your country proud.

The selection of agriculture as the basis of one of the engines of growth in this economy, is based primarily on the recognition that we need in Trinidad and Tobago to control inflation. We need, as a country, to create long term

Appropriation Bill (Budget)
[SEN. THE HON. V. BHARATH]

Wednesday, September 22, 2010

sustainable, productive employment for our people. We need to reduce our food import bill. We need to create food security for our people and we also need to look at diversification of our economy; something that we have long talked about in Trinidad and Tobago.

The sector was further recognized earlier last month when, in the Independence Day Awards, for the first time in the history of this country, awards were given to a former Minister of Agriculture and two distinguished sons of the agricultural soil in Trinidad and Tobago, for their dedication, hard work and tireless efforts in the field of agriculture. Therefore, before I go into my contribution, I want to take this opportunity to congratulate Mr. Kamaluddin Mohammed, former Minister of Agriculture, Land and Marine Resources; Mr. Lyle Donowa; and Mr. Zahir Akaloo on their achievements.

There can be absolutely no doubt in anyone's mind that the agricultural sector has been totally neglected over the last 50 years. I have often remarked to the then government that by spiting farmers, you were in effect spiting the people of Trinidad and Tobago, the population, because they were taken on a see-saw ride, on an annual basis, as a direct result of the treatment meted out to farmers.

A catalogue of broken promises, and I have them all here, from 2002 to 2009, of what the PNM intended to do for agriculture in this country. A catalogue of promises so thick that it is unable to be stapled. I could not get a stapler through it today. But, I do not want to waste too much time on talking about all of these promises; it is common knowledge. I would name some of them.

“This government has assigned a very high priority to the modernization of the agricultural sector and will immediately introduce new and appropriate technologies, improve infrastructure and generate a wave of new investment in this sector.”

Page after page, the same babble. I do not want to waste any further time on talking about what the PNM governments of the past failed to implement in more than 40 years. Rather, I would like to spend some time talking about what the People's Partnership Government has attained in less than four months.

This year was absolutely no different to previous years, after having suffered one of the harshest droughts in the history of this country. We were devastated by floods. Both of these extremities in weather caused major supply problems in the market. So much so, that agricultural GDP fell by 5.7 per cent in the first quarter of the year. As Sen. Ramkhelawan talked about yesterday, inflation in the agricultural sector went over 30 per cent. Crops were destroyed. Farmers were

devastated. The Prime Minister of Trinidad and Tobago, on the day she was being sworn in, donned her Wellington boots and together with several other Government MPs, actually went out and visited the affected areas and farmers who have had their crops devastated. It is the first time in the history of this country that farmers were able to get compensation for crops lost within 30 days. We were able to pay over 1,800 farmers an amount of \$13 million within 30 days; an exercise that would normally take sometimes six, eight, 12 or 15 months to be regularized for these poor farmers.

The food import bill in Trinidad and Tobago last year was \$3.8 billion. In 2008, it was \$4.2 billion; 2007, \$3.4 billion. Over the last month, many of us in this Chamber would know that commodities across the globe, particularly in the areas of wheat, rice and sugar, have started to rise. Several thousand tons of wheat have been taken off the market as a result of drought and wild fires in Russia. Other commodities that we currently import, like beef, lamb, goat and pork, they are also going up in price. The long and the short of it is that we in Trinidad and Tobago are subject to the vagaries of international commodity pricing, because effectively we have failed to plan for the future. We have done nothing. Fifty years after independence, we have failed to provide food security to our nation.

The Food and Agriculture Organization has determined that food security exists when all people at all times have physical and economic access to safe, sufficient and nutritious food to meet their dietary needs and their preferences for an active and healthy lifestyle. How many people today in Trinidad and Tobago meet those criteria? According to the last UNDP Report, there are 200,000 citizens living on less than US \$2 per day, eating out of dustbins and sleeping on cardboard beds on our nation's pavements when night falls. What was the Vision 2020 for these people? At \$300 billion later, that is where we are today and it is this context, notwithstanding the financial constraints and challenges that this Government faces, that agricultural investment remains the key to creating food security for our people, creating sustainable long-term productive employment for our people and diversifying our economy away from oil and gas.

When we developed our People's manifesto, the development of the agricultural sector was based on five pillars:

- the respect of farmers;
- affordable food on a sustained basis;

Notice I said affordable food. I did not say cheap food, because cheap food equals poor farmers and poor farmers equal no food and no food equals imported food.

Appropriation Bill (Budget)
[SEN. THE HON. V. BHARATH]

Wednesday, September 22, 2010

- a sustainable livelihood for our farmers;
- regional and extra regional joint ventures to allow us to achieve economies of scale for our production; and
- real and functional linkages with research and development.

Because far too often we are very good at research and accumulating knowledge and information, but it sits somewhere that no one has any access to. The people who need it most, farmers in this particular instance, never get the value from the information that we have long collected over the many years.

It is important for us to create an enabling environment and a facilitative one. The People's Partnership also believe that we could only find our true potential and reach our real goals, if we work in a collaborative way with all of the stakeholders in society and all of the stakeholders in our sector.

As a direct result of that, since taking office in June, my Ministry staff, many of whom are here today with me, and I have met with over 100 farmers' associations representing thousands and thousands of farmers in Trinidad and Tobago; 40 fishery associations representing, again thousands of fisherfolk in Trinidad and Tobago; poultry associations; cattle associations; sheep and goat and cocoa farmers; pineapple farmers and aquaculturists. We have met all of them: the fisheries, the coconut industry, dairy farmers, beekeepers, we have met with all of them. We have tried to understand what the problems are. In fact, Madam Vice-President, within the first two weeks of taking office, I met with over 200 of our agricultural extension officers within our Ministry, because I wanted to understand clearly what the challenges and issues were that prevented them from delivering the goods and services that the Ministry had to offer to the farmers. Two hundred of them we met and got their views and their concerns.

I tell this honourable Senate all of this, so that we can all get a feel for not just the work that the Ministry has already embarked upon, but so that the work that comes out in the next two, three and five years is clearly understood that it is based on an understanding of a collaborative approach with all of those concerned and all of the people involved in the our sector. It is in keeping, of course, with our Government's motto that no one shall be left behind in our quest for inclusive development. In fact one of the pillars on which Minister Dookeran's budget is based is inclusive development.

Coming out of these consultations, a number of issues were identified, many of which we have already started working on. I want to list some of those. The first and probably the most ticklish is the area of land tenure. Land tenure has

created the most controversy and created a lot of debate simply because, without land tenure, a farmer cannot access the incentives nor preferential loans from the ADB that the Ministry has to offer.

A farmer is placed at a significant disadvantage because his land is not regularized, sometimes through no fault of his own, and he is placed at a disadvantage to other farmers in the country. My information is that we have over 10,000 agricultural plots that our Ministry is aware of that need to be regularized. At the current rate of regularization, that is going to take several years to accomplish. As a result, not all of these farmers will be able to access any of these incentives.

I want to announce in this Senate today that as of January 2011, my Ministry intends to disentangle the issue of incentives from land tenure and land title. No longer will a farmer be required to be regularized to access incentives from the Ministry nor preferential loans, provided he can prove, as a registered farmer, he is currently cultivating at least 30 per cent of his land in the first year, with the proviso that in the second year he will cultivate 50 per cent and in the third year come up to 75 per cent, which is the current percentage rate for regularization. Madam Vice-President, as you will appreciate, that will bring thousands of acres of fertile arable land into production in Trinidad and Tobago, by that one move. [*Desk thumping*]

4.15 p.m.

Additionally, we have agreed at the Ministry to take on additional staff to computerize the land-management area, as well as embark on an accelerated regularization programme, so that after the three-year period, we will be in a position to regularize all those persons who have come through the system. I am pleased to tell you that Cabinet has already approved the granting of over 100 agricultural leases that I have taken to Cabinet.

The second issue is praedial larceny. This is an issue that continues to plague our hard-working farmers and has done so for many years. Successive governments have attempted to deal with the issue, but with little success. In fact, the Praedial Larceny Act of 2000 provides for a Praedial Larceny Squad to be positioned within the police service to deal with this menace.

Year after year, since 2002, funds have been set aside for the setting up of the Praedial Larceny Unit, but for reasons unknown to us and the other side at the time, we were unsure as to why the Government never set it up until last year when an Agriculture Ranger Squad was set up as a trial and as a pilot project in

Appropriation Bill (Budget)
[SEN. THE HON. V. BHARATH]

Wednesday, September 22, 2010

county Caroni. Well, the results of that pilot study are in and to be honest, they are ordinary by any standards. For the moment, the Agriculture Ranger Squad tenure has come to an end, and we are at a juncture now where we have to decide what we are going to do.

It is my intention to take this fight to a different level. We are preparing to put in place a more effective praedial larceny unit that is more effectively trained with better equipment. That was one of the drawbacks of the last Agriculture Ranger Squad. They did not have proper training; they did not have equipment to deal with the problems. The success of this unit depends on a collaborative approach that needs to be taken between the police, the farmers, communities and the Ministry itself.

In November, we will be launching a buy local campaign, and as part of that, we intend to launch a national campaign on praedial larceny so that the population clearly understands what they are doing when they purchase stolen goods. They are stealing from hard-working farmers of Trinidad and Tobago and it is affecting Trinidad and Tobago.

Additionally, we recognize that a physical presence is simply not enough to curb this menace and, therefore, the Government intends to introduce the use of technology to assist in this fight, and we are already mindful of that. We have been engaged in discussions with several technology solution manufacturers with regard to looking at a particular type of fencing, alarm systems, camera and lighting and so on, with a view to putting this menace in place once and for all.

This Government is so committed to eliminating the scourge of praedial larceny that we are committing that every farmer who wishes to engage in this technological solution, and who wishes to use technology in the fight against praedial larceny, the Government will match expenditure on a dollar for dollar basis up to the initial value of \$30,000.

One of the most neglected areas with regard to the farming community revolves around the issue of infrastructure and water management. This creates the most anger as far as farmers are concerned, because they see themselves almost helpless in the fight against poor infrastructure and water management issues.

Crops were destroyed earlier this year during the drought period, but they were also destroyed when the rains came, because essentially we do not conserve water during the rainy period, and when the rains come we do not have the

infrastructure to allow the water either to be collected or to run off into the rivers. So either way, at both sides of the stick, the farmer ends up having the crops that are destroyed.

What happens is, year after year, we see the same old story and the same annual spectacle of farmers' crops being destroyed, and the Government having to pay compensation with much needed taxpayers' money that could obviously go into other areas of the economy, and the consumer is taken on a roller coaster with regard to prices, and this must stop. This is not a one-off event. This has been happening for the last 50 years; every single year.

It is, therefore, my intention in my PSIP request to build and rehabilitate 100 farm ponds across Trinidad and Tobago in the next 10 months to hold water during the rainy season. We have already approached many persons who have been involved in quarrying activity to be able to use the ponds that have been created by the quarrying activity. I want to thank Trinidad Aggregate Products in Longdenville who have kindly agreed to allow us to use a very wide pond to be able to service that whole area there as far as the farmers are concerned.

We have also identified in collaboration with several farmers' groups in Trinidad and Tobago, areas that are in desperate need of irrigation. As a direct result for immediate implementation, we are going to establish a mobile pumping station. I want to reiterate again that this is in collaboration and in conjunction with several farmers groups in Trinidad and Tobago. We will establish a mobile pumping station on the banks of the Caroni River using water from the Caroni River to service Caroni rice lands; to service the two-acre farm, and also to service farmers in the Warren/Bejucal area. This initiative will positively impact on 50 farmers who suffer on an annual basis and it will service 1,700 hectares of land. Additionally, another mobile pumping station will be used to lift water out of the Hawkins Drain to service the Orange Grove farmers, bringing another 250 hectares into use.

One of the perennial problems and one of the biggest cries that farmers come to me with is the issue of access roads. They have no access roads to their farms either to plant, reap, sow, harvest or bring produce out of the farms to market, simply because many of these access roads do not even exist, and in the cases where they exist, they are impassible. We intend to ensure that the majority of farmers in Trinidad and Tobago have access roads. The Ministry is already engaged in an extensive exercise to determine which of the areas are at risk, and these will be the ones that we will attend to initially.

Madam Vice-President, I now turn to the issue of incentives. By any stretch of the imagination, the current system is inadequate; it is obsolete and it is inaccessible to many farmers. Madam Vice-President, imagine in today's day and age, a farmer is given a maximum of \$70 for erecting 30 metres of contour drain; he is given \$40 for erecting 30 metres of contour barriers; and he is given \$200 for land preparation per hectare of his land. Farmers do not even bother to apply, because the cost of making the application and the bother involved are clearly not worth the reward. As a direct result, I have asked my Ministry to review and revamp the system of incentives in our Ministry, with a view to making it applicable to the objectives which we are attempting to achieve which is encouraging a sustainable development of our food sector.

Although it is not my intention to pre-empt the work of the committee, I want to make two announcements with regard to incentives that will be in the larger pack, and the first relates to fertilizers. We in Trinidad and Tobago had a “jokey” situation where the last regime brought in 80,000 bags of fertilizers—2,000 tons of fertilizers—and it is being handled and administered by the National Flour Mills out of a warehouse in Central Trinidad. The cost of the fertilizers was \$8.9 million. The fertilizer is being sold at \$125 a bag, but you have to go to the county office, get a paper stating that you are a registered farmer. You then have to go to the bank and pay for it and then take your receipt to the central office and you will get it.

As a direct result, we have sold only 3,395 bags in the last 12 months. At that rate, it will take us over 18 years to sell the fertilizer that is there. The shelf life of the fertilizer is three years. Now, in addition to the \$112 that it costs per bag, the storage, administrative and security cost of storing it will work out to close to \$400 a bag. So the total cost is now over \$500 a bag for the fertilizer that we are selling at \$125. At that rate, if it is that for whatever reason we extend the life for 18 years, the Ministry stands to lose over \$13 million on this batch of fertilizers.

It is my intention—and I have discussed this with my staff—to make this fertilizer available through every agricultural shop in Trinidad and Tobago so that farmers, gardeners and people who are interested in growing anywhere and anything, will have access to this fertilizer through agricultural shops in Trinidad and Tobago, and not just to a select few, because it may very likely reach its shelf life and then it will have to be dumped.

The second incentive I want to talk about briefly is the issue of tractors. Currently, there is a situation where a farmer can purchase a new tractor and will get an incentive of 15 per cent to a maximum of \$25,000 over a period of five

years. If you were to buy an imported refurbished tractor, you will get 15 per cent to the value of \$15,000 over a period of five years.

I am proposing that we extend that to second-hand tractors in Trinidad and Tobago for people who are unable to pay the full cost of a new tractor or a refurbished tractor, but wish to get involved in agriculture and want to buy a second-hand tractor through authorized dealers and, of course, ensure that these things are above board and as transparent as possible. We will now look at that possibility. I am proposing that second-hand tractors in Trinidad and Tobago now be subject to the exemption that is allowed for refurbished tractors coming into the country. Those are just two, but just to give you a flavour of what we are attempting to do is to ensure that the incentives we offer are meaningful and accessible to the farmers of Trinidad and Tobago, and they achieve the objective which is to ensure more food production in Trinidad and Tobago.

Madam Vice-President, coming out of the extensive consultations that we had over the last three months, the Ministry has embarked on the development of certain crops that we have identified. With respect to staples, we have identified cassava, sweet potato and plantain; with respect to fruits, we have identified paw paw, melon, pommecythere and pineapples; with respect to vegetables, we have identified pumpkin, bhagie, sweet corn, tomatoes and cucumbers; and with respect to herbs and spices, we have identified hot peppers, chadon beni, lemon grass and thyme.

Additionally, the Trinidad and Tobago Agri-Business Association (TABAA) will expand its capacity and capabilities with regard to contract processing to allow local and international purchase of fresh fruits in Trinidad and Tobago to use their services to process fruits in Trinidad and Tobago. This is a low-cost entry into the agri-processing business, and will undoubtedly attract those who cannot afford their own equipment, certainly at the inception.

Building on the theme of value added, I want to announce to this Senate that my team and I recently met with an international chain of fast food restaurants, as well as the local and regional ones, with a view to replacing large quantities of potato chips on their menu with cassava chips and sweet potato chips. Madam Vice-President, I want to tell you with a great deal of pride and gusto, if the trials go well—there is every indication that they will—many of these outlets will be carrying cassava and sweet potato chips replacing potato by the end of this year.

4.30 p.m.

Additionally, we have met with representatives of the bakers' association. I met also with several bakers across Trinidad and Tobago to introduce cassava flour, to replace a large proportion of wheat flour that is currently being purchased. I talked about the price of wheat flour on the international market, so we expect to see a spike in the wheat flour and to replace it, a large percentage of it between 30 and 50 per cent, with cassava flour. I want to tell you that many bakers have already embraced the idea and are already using it. Apart from the product being more healthy and nutritious, it is also tastier than the existing 100 per cent wheat flour and we are very encouraged by the results.

So what we are attempting to do is to use our influence to create a pull factor in the market, so that we can then drive the primary growing aspect of it to encourage farmers to grow more. If we can create demand, we will be in a position where we could go back to the farmers and ensure they can grow more.

Sen. Ramkhelawan: Thank you for giving way, Minister. Can you tell us how much cassava in terms of tons, pounds or kilogrammes, will have to be produced to take the place of that 50 per cent wheat you are speaking about?

Sen. The Hon. V. Bharath: It is not our intention to replace all of the wheat that is currently imported, simply because it is very difficult to make bread that is 100 per cent cassava flour. What we need to do is to educate our population, first of all, on the benefits of cassava, and there are many, many benefits of using cassava itself, as I said, in the flour. It is not our intention to replace 100 per cent, but we currently have 300,000 pounds of cassava in the ground with no market for it at this point in time. Therefore, I am saying to you, that we have to create the market and, if we can develop the frontier market for it, if we can develop it through others who have the regional international linkages, then we could drive the market that way, not just for Trinidad, but many of our regional brothers and sisters.

Just aside, Madam Vice-President, because there is something I want to encourage many of my colleagues to do. The Ministry of Food Production, Land and Marine Affairs took a policy decision two months ago, that we will serve only local foods at all of our public and private functions, and I want to urge all of my colleagues to assist us in so doing. [*Desk thumping*] But in addition to the commodity crops that I just talked about, there are several crops that we believe we could resuscitate, we could renew and we could rehabilitate, that can add significant value to Trinidad and Tobago. The first on my list is the crop of cocoa.

Madam Vice-President, cocoa has contributed to the development of Trinidad and Tobago for over 200 years. In fact, at one point in time, we represented 20 per cent of the world's cocoa production out of Trinidad and Tobago, and we are one of the seven countries in the world that produces 100 per cent fine flavoured cocoa. One of the seven in the world, but sadly, like all of the other sectors and industries in Trinidad and Tobago, it has fallen into sad neglect as a direct result of emphasis and importance not being placed on it. In fact, we have dropped from production levels of 35,000 tonnes to a mere 600 tonnes of cocoa today. One of our priorities in developing the sector is to try to ensure that our small cocoa farmers are motivated to go back into the fields, and they will only do so if there is money to be made. What we need to do is to create linkages between our small cocoa farmers and the users of our cocoa who mostly live abroad. Fine chocolatiers, we call them.

We have had some very interesting discussions, the last one actually has taken place yesterday, with some European manufacturers of chocolates. I call them purveyors of fine chocolates. We have had some very fruitful discussions with these people, whom we are prepared to engage in an association with the small farmers of Trinidad and Tobago, whereby they pay a higher price for the beans, provided they can guarantee the quality of the beans. But more than that, the small farmers will share in the profit of the cooperative between the chocolatiers and the small farmers. In addition, it is in the chocolatier's interest to ensure that the small farmer, first of all, can maintain his field and, therefore, they are prepared to introduce international best practice to these farmers.

Madam Vice-President, look at this brand of chocolate with Tobago written on it. [*Chocolates were displayed*] Look how it is beautifully packaged. [*Desk thumping*] Look at this. Look at this; Trinidad, beautiful. High end chocolates manufactured at all places in different parts of the world. But you know what? Our farmers do not gain substantially from this, and this is what we need to do. We need to get them into the chain, so that they can be part of this. This is not just about chocolates. This is about marketing Trinidad and Tobago. When a product like this is sold anywhere in the world and people know that Trinidad and Tobago is one of the seven countries in the world that grow fine flavoured cocoa, their interest speaks as to why they should come to Trinidad and Tobago.

In Trinidad and Tobago, we have the largest cocoa gene bank in the world, and yet, we have still neglected our industry. There are several things we need to do in addition to what I have just said, but another initiative is the fact that we got to patent a new variety of cocoa which we have. Right as we speak today, we

Appropriation Bill (Budget)
[SEN. THE HON. V. BHARATH]

Wednesday, September 22, 2010

have several varieties of new cocoa, Trinidad selected hybrid; bred by the Ministry of Food Production, Land and Marine Affairs that is currently waiting to be patented by the Ministry of Legal Affairs. Another initiative with regard to cocoa—I am dealing a bit extra on this—and it is very dear to my heart—is the rehabilitation of cocoa plantations and cocoa estates across the country, and the first one we have already started. It is a 180-acre farm at Mora Valley, which has been abandoned completely and totally for the last seven years. It is overgrown. The aim of rehabilitating that particular estate is to grow a single estate cocoa on that farm, also to have a model 50-acre farm where farmers could come and learn best practice. All of these things we are doing, and we have to do so as far as cocoa is concerned.

The second crop that we want to concentrate on is citrus. Trinidad and Tobago has had a long relationship with the citrus cultivation because of the high level of the fruit, as well as the processed product. In fact, over the years, grapefruit in particular, has enjoyed a particular success in certain European markets. At the height of production, we have employed over 500 farmers on more than 10,000 acres of land. As a matter of fact, at one point in time, we were exporting out of Trinidad and Tobago, a million crates of grapefruit annually. Today, we are importers of citrus. Last year alone, we imported \$47 million of citrus concentrate to make juice. The year before, we imported \$35.4 million of citrus to make concentrate in Trinidad and Tobago. A lime today in the market is \$3, an orange, a grapefruit, \$2 and \$3 for one, and we have allowed this industry to fall into total decline.

The Ministry has embarked already on a three-pronged attack and a three-pronged approach as far as citrus is concerned. The first is to immediately replant existing citrus orchards across Trinidad and Tobago, using disease free plants. We have already upgraded our requirements from 30,000 citrus plants to 100,000 citrus plants per annum for the next three years. We believe if we could accomplish that, Madam Vice-President, we will be in a position to replant most of the citrus trees and fulfil most of our obligations to the citrus farmers in Trinidad and Tobago.

Secondly, in light of the increased production of disease free plants, we will re-establish citrus orchards in Todds Road and also in La Gloria, but only and strictly for citrus production.

Thirdly, we will implement immediately a citrus certification programme, so that we can ensure the nurseries and plant shops do not put diseased plants back into the citrus population.

Madam Vice-President, the other area that we intend to concentrate on is the area of coconuts, another crop that has always been of great significance to Trinidad and Tobago. In fact, during its heyday, we were planting in Trinidad and Tobago between 20,000 and 25,000 acres of coconuts, employing over 3,000 people and generating millions of dollars in revenue. Today, those figures stand at 500 people employed on a measly 5,000 acres of land.

The recent introduction of the invasive pest called the red palm mite—without so much as a finger being lifted by the PNM government to mitigate the significant effects that are negative effect, the red palm mite was having on the coconut population—has virtually decimated the coconut population to a point where we are now running about 20 per cent of full capacity in the industry. The industry has been decimated by almost 80 per cent. In fact, we have now reached epidemic levels, and to add to the woes, there has never been any replanting exercise as far as coconut is concerned. So most of the trees that are alive today, the ones that have survived at least, are more than 60 years old, and the entire industry is in danger. In addition, of course, the downstream industries of coconut oil, copra, soap, coconut milk and, of course, coconut water has also been in danger. It is instructive to note—yes, we are importing coconut water from Guyana now. You go into the grocery, Madam Vice-President, you will see Guyanese coconut water in our groceries. In many parts of the United States of America today, coconut water has been promoted and marketed out of Brazil as a sports drink, a health drink to compete against drinks like Gatorade and Lucozade because of its isotonic components and qualities.

Madam Vice-President, the introduction of the red palm mite—because of the delirious and negative effects it has, the industry has required an immediate and an urgent response from the Ministry, and I want to inform this honourable Senate, that we have recently put together a team of professionals, including Ministry's staff, Coconut Growers' and international and regional agencies—CARDI and CABI—who have already come up with a solution and a plan of action for the resuscitating of the industry. Additionally, we have sought help and we have received assistance, positive feedback from Brazilian Enterprise for Agricultural Research Corporation (Embrapa) and also from the Indian Agricultural Research Institute, both of which will have experts in Trinidad before the year is ended.

The third area that I want to talk about is the issue of buffalypsos in Trinidad and Tobago. Buffalypsos, referred to by Prof. John Spence as an unexploited invention of Trinidad and Tobago, are a superior herd of water buffalos, known as

Appropriation Bill (Budget)
[SEN. THE HON. V. BHARATH]

Wednesday, September 22, 2010

the buffalypsos, developed through the dedication and hard work of Dr. Stephen Bennett, a prominent veterinary surgeon in Trinidad and Tobago. The advantage of the buffalo meat is the fact that it is lower in fat than the regular beef cattle, but it is higher in protein, vitamins and minerals. Additionally, the milk that the buffalypso produces has twice the dairy fat content of regular milk, and it is a preferred choice in most parts of Italy and where Italian communities settle for the preparation of mozzarella cheese. And therefore, there are outstanding opportunities for us to be able to export meat as well as cheese and as well as frozen embryos and so on. In fact, we have exported buffalypsos, the animals themselves, to 19 countries internationally—19 countries. What have we done here with them in Trinidad? Instead of exploiting this very valuable asset—I am sorry—

4.45 p.m.

Madam Vice-President: Hon. Senators, the speaking time of the hon. Senator has expired.

Motion made, That the hon. Senator's speaking time be extended by 15 minutes. [*Sen. P. Beckles-Robinson*]

Question put and agreed to.

Sen. The Hon. Sen. V. Bharath: [*Desk thumping*] Thank you, Madam Vice-President. Thank you. I am grateful to my colleagues on both sides of the Senate.

What have we done with the buffalypso in Trinidad and Tobago, Madam Vice-President? Instead of exploiting this very valuable asset, the buffalypso has, in effect, been allowed to almost languish into extinction. Whole herds no longer exist. Many of the animals at the sugar cane feed centre are in poor condition. Many of the herd at Mora Valley, where there were originally about 3,000—now down to about 800—suffer from brucellosis and they will have to be slaughtered, unfortunately. This, unfortunately, is indicative of the contempt, disregard and neglect that the previous regime had for the agricultural sector.

I want to inform this honourable Senate today, Madam Vice-President, that this Government will fully support the development of the buffalypso industry. [*Desk thumping*] I have already instructed that the brucellosis negative animals be separated from those that are disease free and be placed at the La Gloria Farm and the Ministry will then launch a programme to ensure that the population becomes aware of the superior quality of both buffalypso milk and buffalypso meat.

I am happy to announce also today, Madam Vice-President, that Dr. Steve Bennett, who pioneered and developed the buffalypso in Trinidad and Tobago almost 60 years ago has graciously agreed to head a committee to plan and to develop the future of the buffalypso industry in Trinidad and Tobago. [*Desk thumping*]

Madam Vice-President, I want to turn to another area that we will be concentrating on and that is the sheep and goat industry. It may shock most of us in this Senate to know that 90 per cent of the sheep and goats we consume in Trinidad and Tobago is actually imported from Australia and New Zealand. Last year this amounted to over \$67 million and it is noteworthy that Trinidad and Tobago ranks amongst the top ten importers of goat and sheep from these two markets—the top ten in the world.

Madam Vice-President, having met with the sheep and goat farmers and recognizing the potential of the sector, not only as far as the meat is concerned but also the milk and the cheese, my Ministry has already initiated a number of measures geared at stimulating and encouraging the industry. When we met with sheep and goat farmers, two of the major problems raised were the issue of quality breeding stock and the second was access to land. There was a third, which was forage, which I will talk about a little later in my contribution.

The Ministry intends to increase the importation of breeding stock from the paltry amounts that were imported last year, 24 sheep and 14 goats last year. In addition, these efforts will be augmented by the importation of frozen semen, and the training of personnel in embryo preservation and implantation. Additionally, with regard to access to land, I am pleased to announce to the Senate this afternoon that after extensive consultations with the hon. Minister of Energy and Energy Affairs, it has been agreed that lands that currently fall under the Palo Seco Enterprises Limited at Chatham, both land and the pasteurizing facility for milk, will be transferred to the Ministry of Food Production, Land and Marine Affairs for use by the small ruminant sector. [*Desk thumping*]

With regard to the dairy sector, milk, as most of us know here, contains fats, proteins, carbohydrates, minerals and vitamins and has often been described as almost the perfect food, but, like every other aspect of the agricultural sector, there has been a steady decline over the past 20 years as a direct result of mass exodus of farmers from the industry linked directly to the low price for milk that they have been offered, to the high cost of labour, the high cost of feed and, of course, to praedial larceny.

In fact, the production of milk has declined from 11.9 million kgs in 1991 to a paltry 4.1 million kgs in 2009. At the same time, last year we imported \$116.7 million worth of powdered milk into Trinidad and Tobago representing 80 per

Appropriation Bill (Budget)
[SEN. THE HON. V. BHARATH]

Wednesday, September 22, 2010

cent of our total consumption in Trinidad and Tobago of milk and therefore it represents a huge potential for us to be able to move forward. Madam Vice-President, the way forward is to increase productivity and efficiency. It must be that way. Cost of production can be reduced by employing best management methods, improving on-farm technology and reducing the dependence on supplemental feed.

There has been often a complaint from farmers about the high cost of feed and that is why my Ministry is exploring the greater use of mulato grass which, because of its very high nutritional value, can replace supplemental feed by as much as 70 per cent. Research has also shown, Madam Vice-President, that the use of mulato grass will increase milk production by as much as 25 per cent and, therefore, as a direct result, the Ministry has agreed that we will establish a forage bank of mulato grass that will be made available to farmers in Trinidad and Tobago.

Reorganizing of this sector is the key to all of this being successful and to this end, Madam Vice-President, I want to let you know this afternoon that the Ministry has engaged in a collaborative venture with Nestle Trinidad Limited and with several farmers across the country, initially 40 farmers, with a view to dealing with issues of fertility, health and on-farm management, indicating to farmers, showing them how to keep proper records and by doing so allowing them to maintain and use these records to be more efficient, more productive and eventually more profitable. It is estimated that a minimum size herd to reach critical mass and the best levels of efficiency is about 30 cows. Madam Vice-President, if this initiative is successful we will move from producing four million kgs of milk today to producing over six million by 2013. [*Desk thumping*]

I want to talk quickly about the fisheries sector because the contribution of the fisheries sector to the GDP was less than one-tenth of 1 per cent in 2009 but this small contribution is more than outweighed by the social and economic benefits to coastal communities. Madam Vice-President, there are 65 fish landing sites in Trinidad and Tobago, 24 of them have some level of facilities, mostly dilapidated facilities. Needless to say, the upgrading of these facilities has never been a priority as far as the last government was concerned.

Having met with the fisherfolk—as I mentioned 40 fisherfolk associations represented by 215 fishermen—I might add, earlier this year, some of the challenges identified were very simple—toilet facilities, slipway facilities, electricity, ice, bathroom facilities, potable water and so on. I want to announce that we have identified 13 of these landing sites in the initial instance that will

receive immediate refurbishment. When I say immediate, tenders have already gone out for the work to be conducted and these are at Morne Diablo, Matelot, Maracas, Claxton Bay, Cumana, Cocorite, Grande Riviere, Erin, Toco, Fullerton, Otaheite, Balandra and Sans Souci, Madam Vice-President. [*Desk thumping*] This work is already in train and will be started very shortly. They have also identified some other issues but those require legislative action which I have already informed the Attorney General we will be taking care of.

I briefly want to talk, Madam Vice-President, before I wind up, on the Caroni 2-acre plots because it is a matter of common knowledge now that the VSEP workers of Caroni, in addition to residential lands, were awarded agricultural 2-acre plots. Unfortunately, the last regime dragged its feet extensively on this matter, so much so that the matter has ended up in court. In the High Court Action, Justice Deyalsingh in his judgment ordered that proper infrastructure including access, drainage and irrigation facilities be attached to each plot and these plots should be given out by June 30, 2008. The State, of course, appealed the judgment and the parties are awaiting final judgment on this.

Madam Vice-President, of the 7,900 leases that were allocated, only 1,560 have been distributed. I want to let this honourable Senate know that I have since instructed the EMBD, which now falls under my portfolio, that all of these leases, every single lease outstanding to Caroni workers, will and must be distributed by December 31, 2010. [*Desk thumping*]

Madam Vice-President, I want to talk a little about the large farms because that has been a very contentious issue and it is one that was originally conceptualized to increase food production in Trinidad and Tobago as a joint partnership between the State and the private sector. Having spent or I would say squandered for the most part \$100 million, because that is what the PNM government spent, \$100 million, to bring facilities to these farms, these farms have borne very little fruit.

As a result, I met with all 15 licence holders to assess from them whether or not they were still interested in carrying on with the project, secondly to determine what, in fact, was the status of the project and, thirdly, to get some sort of assurance from them that they would not be competing directly, at least initially, with the small farmers of Trinidad and Tobago who have always been the backbone of our food production. Those discussions are still ongoing, but another issue arose, which was bottlenecks occurring with regard to approvals at the EMA. My team and I have met with the CEO of the EMA and his team and

Appropriation Bill (Budget)
[SEN. THE HON. V. BHARATH]

Wednesday, September 22, 2010

thankfully we have been able to sort out most of the problems and we have developed collaboratively a checklist that will now allow approvals to go through in a much shorter space of time.

So there you have it, Madam Vice-President. Unfortunately I have not been able to—there is so much more to say. There is much more to do, of course. I have not been able to talk about a number of other issues and initiatives that the Ministry has taken since the People's Partnership has taken government. I want to also congratulate my staff, many of whom are here and many of whom are not here, for the sterling work and the way they have embraced the philosophy of what we are attempting to do. Much of the credit goes to them but I have not had a chance to discuss the role of NAMDEVCO in marketing.

I have not had chance to discuss the mandate that will be given to the School Feeding Programme with regard to the incorporation of local foods on their menu. I have not had the chance to discuss the issue of youth in agriculture. I want to tell you quickly that we have had some discussions with the University of the West Indies about preparing syllabuses and degree courses that will allow farm-ready graduates to come out of university, not what we have today, and the university has sat with us and they have agreed. I intend to extend those discussions to UTT.

So there we have it, Madam Vice-President. As I said, so much more to say but much more to do. Sen. Prof. Ramkhelawan asked in his budget wind-up for some magic in agriculture but magic, Madam Vice-President, is believing in yourself, and, if you can do that you could make anything happen. One man's magic is another man's engineering, and that is exactly what this People's Partnership Government intends to do, create an environment where our people can do magic. By the steady hand of the hon. Minister of Finance this budget pulls us from the brink of financial suicide and fiscal irresponsibility. It is a budget that pays for the past but plans for the future.

Unfortunately, this Government has inherited from the PNM a ravaged economy with broken institutions. What we have not inherited, unfortunately, is a credible plan for the future. Our aim is to rise like a phoenix from the ashes of an economy built on squander and debt to a new balanced economy where we can save, where we can invest and where we can export, an economy not overly dependent or reliant on the success of one resource, oil and gas, but where all industries can grow, an economy where the prosperity of a land can be shared by all of our people.

Madam Vice-President, our nation can once again exhale. We can breathe a collective sigh of relief, safe in the knowledge that our country and our economy are once more on an even keel, poised to explore and take advantage of the vast opportunities presented by this brave, new world. I thank you very much. [*Desk thumping*]

Madam Vice-President: Thank you very much, Senator. Hon. Senators, it is now 5.00 p.m. and we will take the tea break at this time. We will resume at 5.30. This sitting is now suspended until 5.30 p.m.

5.00 p.m.: *Sitting suspended.*

5.30 p.m.: *Sitting resumed.*

SEN. PROF. PATRICK WATSON (*in the Chair*): We do not have a quorum. [*Interruption*] [*Marshall puts the Mace in place*]

Sen. Prof. Harold Ramkissoon: Mr. Presiding Officer, on a point of clarification with respect to the contribution made earlier by the hon. Minister of Science, Technology and Tertiary Education. Cariscience which organized the science forum yesterday, after one year of planning, is a UNESCO affiliated organization that I had the honour of heading for over 10 years. It has worked and continues to work with all governments and universities in all Caribbean countries, starting from Jamaica to Suriname, promoting excellence in the sciences. We mounted, for example, science education programmes with the last government.

Cariscience is that non-political and non-governmental organization that will provide advice to the Minister of Science, Technology and Tertiary Education, and not myself. I am no longer head of this organization.

Mr. Presiding Officer, first let me thank you for giving me the opportunity to make a contribution on this 2011 budget. Secondly, I congratulate all those who made contributions before; they were very interesting and looked at various perspectives of the budget.

My contribution will be in the field of education, science and technology and renewable energy. I now turn to the first area, education. Education has been a top priority for all previous governments and also this current Government, and we applaud them for that. Education is of critical importance today, given the fact that the world in which we live is shaped more and more by science and technology and is also becoming increasingly knowledge-based. Knowledge, on

Appropriation Bill (Budget)
[SEN. PROF. RAMKISSOON]

Wednesday, September 22, 2010

the other hand, is becoming the main driving force of the world's leading economies. In some of these countries, knowledge contributes over 60 per cent to their economies. It is because of this we are today witnessing what we call the “massification” of education.

Let us take Trinidad and Tobago, for example. The previous government had set a target of 60 per cent of the cohort from secondary schools to receive tertiary level education. This was endorsed in the 2011 budget. This is a noble objective, provided that the education we get or we give happens to be quality education, and provided it is relevant, in the sense that it is linked up, to a large extent, to economic development. The education system, particularly our tertiary education system, must produce the innovators and entrepreneurs of tomorrow.

We look at another country where there has been a major thrust in education; in spite of the many challenges, Pakistan is a good example. Their progress has been labelled recently by the World Bank as a silent revolution. In five years time they have been able to achieve the following: double their student population; there has been a 24-fold increase in their budget for higher education; a 64-fold increase for science and technology and they have spent US \$1 billion for foreign scholarships. There are many other countries opening up and expanding their education system as survival nowadays depends on this.

While we welcome the increase in the budget for education, we must ensure that it is well spent and that taxpayers get value for their money. I want to suggest some of the areas of focus for education. One of the themes running through my contribution is the need for us to reform our education system. Even though we did perform quite well in the competitive index, I still think we need to reform our education system. If you are going to reform your education system, you need to start at the base where you build the foundation, that is at the primary school level.

I am going to make some suggestions about the areas where I think the Government should focus. I want to talk first about computer literacy.

It is my view that all students by age eight or nine years should be computer literate and be part of the electronic age. This is the first thing you need to do if you wish to build or work towards building a knowledge based society. Thus, we need to ensure two things at our primary schools: we need to ensure that we have well equipped computer labs and competent teachers at the primary school level. This, I am sad to say, is not quite the case. I want to give you an example of a personal experience I had some years ago.

At the invitation of the principals of two primary schools in a village that I call “God's little village”—it is not Toco—I visited their labs. One school had a well equipped lab, but they had no competent teachers to run their programmes; at the other school, they neither had labs nor computers. I proceeded to run an intensive one-week programme for the teachers from this village. Eight teachers came to the programme and two villagers, in fact, asked permission to also do the intensive workshop. We had no problem with that. So you had 10 participants from the village which happened to be Tabaquite, a village in the Central Range.

[MADAM VICE-PRESIDENT *in the Chair*]

What was very interesting about this programme was that for the entire week all the teachers and the two villagers religiously journeyed from Tabaquite and came to the University of the West Indies, did the programme and journeyed back, without any absence. What this says is that there was, in fact, tremendous enthusiasm in the school for computer literacy. We need to make sure that these schools are connected. Tabaquite was not connected; it was terribly disadvantaged. We need to make sure that the schools in the villages, in particular, are all connected. By doing this, we would bridge the divide between the rural and the urban areas.

I would like to suggest that in addition to installing labs and making sure you have competent teachers at the primary school level, you should also make computers available to students on a loan basis. You add another 10 or 15 computers to the school and allow the children to take the computer. If they wish to use it for two or three days, they sign it out and then sign it back in, just as you do with library books. I think we really need to seriously consider that; that would help.

While we are on computers, I want to suggest with respect to the Government project of one laptop per child—a lot has been said about that—there are some concerns. I think there is an attempt to address some of those concerns. What we need to do is that after the programme has been in operation for one year, revisit it and take it from there.

In the meanwhile, I suggest the following: there are cities that have run very successful programmes where computer technology has been introduced to the curriculum. I suggest that we send a group of teachers or educators to one of these centres so they could see precisely what has been done to avoid making mistakes and introducing the programme in the way it should be introduced.

Appropriation Bill (Budget)
[SEN. PROF. H. RAMKISSOON]

Wednesday, September 22, 2010

I want to emphasize one aspect of what I call the integration of computer technology in the school curriculum. Others have done this before. I believe Sen. Dr. Balgobin and Sen. Dr. Armstrong touched on this, but I want to also touch on it, because it is very important. We are trying to integrate computer technology into the school curriculum. The prime objective is to enhance the performance of the students in the learning process and innovation.

5.45 p.m.

The computer, we must emphasize, is a tool to be used to achieve these goals. Consequently, computer literacy is not to be treated like any other curriculum subject, but as a medium to assist in the provision of learning skills for almost all, if not all subjects.

Now I want to speak about education reform. As I mentioned earlier, we have to urgently take serious reform of the education system, and we have to orient the education system towards a culture of innovation and entrepreneurship. For example, given the critical role that science and technology plays in the economic development, science should be introduced at the primary level as a full subject and tested at the SEA level.

I do not know how many of you remember that science, in fact, had that status previously. It had that status, and it was removed from the syllabus in terms of being tested at that level in 2001. This has relegated the teaching of science to low priority status in many schools. In some schools, it is only taught at the third standard and the fourth standard. It is not taught at the fifth standard.

Consequently, there is a loss of interest in science at the primary school level, and that loss of interest is, in fact, taken to the higher level at the secondary school level. So by the time you get to the university, you do not have a lot of students who have a deep and genuine interest in science; so we must get science back into the primary school. [*Desk thumping*] When I say get it back, I mean get it right up to the fifth standard and that it should be a subject tested at the SEA level.

I want to talk now about the SEA exam; the recent SEA exam and the results. In 2010, 11.6 per cent of the students, or about 2,000 students, scored less than 30 per cent. Around one third of the students scored below 50 per cent. That number there is 5,750. But more alarmingly, two thirds of those scoring less than 30 per cent were boys. We do have a problem, and I think this problem, in fact, is being carried through the system, and you know, we have a problem also at the university level; in most faculties. There is, you know, a majority that is, I would not say overwhelming, but it does not give us the kind of ratio that we feel comfortable with. Okay?

So, my suggestion is that we need to pay greater attention to those students who obtained less than 30 per cent at the SEA level. Now, it is my information that those students who get less than 30 per cent are then allowed to repeat the exam. And if they do not get less than 30 per cent, they are still sent forward to the secondary school system, and there is where I have a problem. It simply does not make sense. [*Desk thumping*]

The obvious solution is that we provide better remedial teachers for this group of students before they actually take the SEA exam, and this would minimize the chances of a large number of students getting less than 30 per cent. So, again, the solution is to provide competent remedial teachers to the schools to deal with this underperforming group.

Concerning the dropouts, Madam Vice-President, from the secondary school system, we need to monitor them—I think this is critical—and explore ways to assist them. We must not allow them to drop out of the radar screen. We simply cannot do that. A number of them lack basic literacy and numeracy skills. The question is, could this be a link to the high crime rate that we are experiencing in this country. That is a valid question.

I want to talk now about illiteracy. There are no precise figures about the illiteracy rate in Trinidad and Tobago. There have not been studies done recently, or surveys carried out. Many people who are involved in this area believe that we do have about 25 per cent of the population being functionally illiterate. And you know, talking about illiterate, I remember a teacher telling me about an incident. One of her students was not performing very well and she was suggesting to this student that, “Maybe you should ask your parents at home to help you with your homework”, only to discover that this child came from a single parent family, and the mother could not read; and consequently, could not help the student. So we do have a problem.

There are programmes with respect to adult literacy. I think there is an organization called ALTA, Adult Literacy Tutors Association, and they are doing a marvellous job, but they have limited funds and facilities. Okay? And I was told that the enrolment this year at ALTA doubled, which means that there is a need for additional programmes for adult literacy. So, again, one of my suggestions to the Government is to run additional programmes for adult literacy.

And now, Madam Vice-President, I want to turn to renewable energy. That Trinidad and Tobago has decided to enter the age of renewables, albeit somewhat late, is, I assure you, Madam Vice-President, welcome news to many, including

Appropriation Bill (Budget)
[SEN. PROF. H. RAMKISSOON]

Wednesday, September 22, 2010

the members of the scientific community. [*Desk thumping*] We, the scientific community, have been working for years to get governments to move in the direction of renewable energy; and I will tell you about two efforts that I was personally involved in.

In 2007, we organized a major four-day workshop in Tobago, where we brought together all the stakeholders: people from industry who have an interest in investing in renewable energy; government representatives. We had, I think, four or five Ministers from the region attending this meeting; people from academia; people from the private sector; and people from the banking domain. So all sectors were represented, because this is a growing area.

As the hon. Minister mentioned, it is going to become a \$100 billion industry. In Germany alone, 260,000 people are employed in renewable energy. As scientists, all we can do is help point the way. Most times we are ignored but we do not mind it. We just keep on trying. So we had this meeting and we came up with a report with recommendations, and this report was circulated to all Governments in the region.

In addition, in 2009, an expert—probably the leading expert in renewable energy in the Caribbean—and myself, wrote to all Prime Ministers in the region urging them to come up with an energy policy to start with, of which renewable energy must be an integral part. Hence the scientific community has been acting, as I say, in a socially responsible manner. Whether we like it or not, Madam Vice-President, the stark reality is that the fossil fuel age, which will be but a brief period in the history of mankind, is rapidly coming to an end, and that will most likely give rise to a solar civilization.

Given the most critical role energy plays in economic development, it is, in fact, its lifeblood, we need to move with a sense of urgency and undertake the transition to a new culture of decentralized renewable energy systems; that is moving from oil and gas to mainly, in our case, solar and wind energy. Let me state here that I was very heartened by the contribution of the hon. Minister of Energy and Energy Affairs. I was really very, very heartened with her very upbeat contribution. [*Desk thumping*]

But at the same time, we need to make rational decisions and be guided by what others have done. We do not have to reinvent the wheel. Many countries—and here, I wish to single out Barbados and Germany—have been in this business for over two decades. Let me turn to Barbados. Their position today in the world in terms of the number of solar water heaters you have per thousand households is

number five in the world. Today, they have 70,000 solar water heaters installed in Barbados in a population of about 300,000. If you work on the assumption that there are three persons per household, it means that two thirds of the households in Barbados have solar water heaters. During the period 1974 to 2009, there was a savings of about US \$410 million to the consumers in Barbados.

Madam Vice-President, permit me now to undertake an analysis of the proposals in the budget, and then offer some recommendations. One gets the distinct impression that this Government wants to encourage innovation, entrepreneurship, and play the role of facilitator for the business sector in addition to creating an enabling environment. A noble objective indeed.

But, it is, in my humble opinion, inconsistent with the proposal, and I want to quote from the budget:

“Reduce import duty to zero per cent on extra regional imports of solar water heating equipment.”

This does not, therefore, link the renewable energy sector to the development of our manufacturing and export sectors in the region. This does not build their confidence. According to estimates, there is a US \$1.5 billion market with respect to solar water heaters, with a potential for about 800,000 solar water heaters in the region.

The zero duty will do the following:

- Will not build our capacity in the industry;
- Will adversely affect manufacturing of solar water heaters in the region;
- Will not create additional jobs we badly need in the region; and
- Will give advantage to non-regional manufacturers.

The Chinese government, I believe, has made installation of solar water heaters mandatory. What does this mean? It means that it will allow for them to grow their market and further develop the capacity at home, and then allow them extra capacity for the extra market.

6.00 p.m.

Let me add the following, and I think the energetic Sen. Fitzgerald Hinds touched on this. Solar water heaters, I believe are governed by the common external tariff rules which were introduced to give regional manufacturers the opportunity to further develop the regional market. Accordingly, there may be a

Appropriation Bill (Budget)
[SEN. PROF. H. RAMKISSOON]

Wednesday, September 22, 2010

60 per cent duty on extra regional import of solar water heaters into Trinidad and Tobago. If you allow free entry into Trinidad and Tobago it will be in contravention of the common external tariff laws. I want to remind the Senate that we have a precedent here with respect to TCL and cement and Guyana, and TCL took the Guyanese government to court and the government did not win. So we have got to be very careful here.

We definitely need to first utilize the production capacity existing in Caricom. Let me add that I do not expect people to be queuing up overnight for solar water heaters. This is a cultural shift. It is going to take time. What that means is our manufacturers in the Caribbean would have enough time to put things in place to take up the demand which will gradually increase with time.

To summarize, if my assumptions are correct, I do not believe that it is in our best interest to make extra regional imports of solar water heaters zero duty and Government needs to reconsider this. If we continue to encourage our business sector to buy, add a mark-up and then sell, then we are doomed to becoming a mere appendage to the global economy. [*Desk thumping*]

Now I wish to turn to energy efficiency and energy audit. Energy efficiency is the most costly approach to our energy strategies; anybody's energy strategy. Every unit of electricity saved means less emission of carbon dioxide and it is a savings to either the consumer or to the Government. Some countries have set themselves targets, with timelines of 25 per cent reduction in energy use by introducing energy-efficiency measures. I take Germany for example. Germany has set itself—and Germany is probably the greenest country of them all, and Germany has been in this business since—I remember I was in Germany for a year, in 1980—30 years ago—and they were implementing energy efficiency measures; 30 years ago and Germany has set itself targets: 25 per cent reduction in energy use by introducing energy-efficiency measures and 25 per cent use of renewable energy.

Our government has a role to play here. What do they need to do? They need to train energy managers and auditors; encourage energy efficiency in our power-generating systems, state-owned buildings, our industry and even in our homes. I remember recently in California—I was in California and what did they do in California to encourage energy efficiency? What were their measures? They were subsidizing energy-efficiency bulbs. You could pick up a bulb for US \$1 and the main objective, of course, was to get people to see the use of buying these bulbs. You know, there are simple measures that you can put in place to encourage

energy efficiency. We need to insist that all consuming energy units, such as air condition units, carry an energy-efficiency indicator label and we need to educate our architects and our builders.

There must be a holistic approach towards the development of the renewable sector. It is, of course, important to give incentives to individuals and to install solar water heaters and wind turbines and one must commend the Government for this. But in addition, we need to do a number of things. I just want to mention some of the things I think we need to do. We need to produce a national energy policy by considering the right mix of energy and set out realistic goals with time frames. And I gather from what the Minister said that they are working on an energy policy.

We need to build confidence in the consuming public through educational programmes; we need to build expertise in the area. How many experts do we have in solar energy, in wind energy, not only in Trinidad and Tobago, in the entire Caribbean? We work with the Caribbean so we know what is going on in the Caribbean. You do not have many experts. I cannot think of more than one expert in Trinidad and Tobago in solar energy and I cannot think of any expert in wind energy. So there is a need to build expertise. We need to build the indigenous human and institutional capacity needs and we need to redirect energy subsidies. And I am going to come back to energy subsidies. We need to encourage public awareness at all levels.

Let us talk about subsidies. Let us first talk about subsidies of electricity, oil and gas; or gas rather. The price of electricity per unit in Trinidad and Tobago is six times more than it is in Jamaica and Barbados, and this, to some extent gives us a competitive edge in the Caricom market.

Hon. Senator: Six time less.

Sen. Prof. H. Ramkissoon: Six times less. Sorry, my apologies; six times less. The question is: how much longer can we afford these subsidies? If you are going to subsidize renewable energy, could you at the same time afford to continue subsidies on the traditional gas and oil? I think that is the question you would have to ask yourself. And you have another dilemma. If you maintain those subsidies on electricity, that is going to act as a deterrent for people who may wish to use renewable energy. So that is the kind of dilemma that you are faced with.

I now want to shift focus to science, technology innovation and tertiary education. With the rapid depletion of oil and natural gas we can no longer afford

Appropriation Bill (Budget)
[SEN. PROF. H. RAMKISSOON]

Wednesday, September 22, 2010

the luxury of being uncompetitive and I think that has come out quite clearly in this debate. I am not going to quote the figures again, but the figures are rather depressing with respect to our position globally, in terms of competitiveness.

If we are to survive, let alone flourish in this highly competitive world, we have no choice but to create conditions that would enable us to inter alia, add value to products and services, be more creative, be more innovative and be more productive. Recent events in innovation at the University of the West Indies and the University of Trinidad and Tobago in introducing innovation programmes; the introduction of innovation awards have not yielded major results. In fact, they have yielded little results.

The Government in the budget talked about a business incubator but I want to warn them—I think it is a good idea but you have to be careful. In 1986 we had a business incubator programme. It was introduced but did not quite get off the ground and the question is: Why did it fail? In my view, the business incubator programme in 1986 failed because of an absence of a culture of entrepreneurship; a lack of venture capital; a lack of requisite environment at our universities from which ideas should flow; and a fear of sharing one's business ideas with others. In short, the problem for the failure was both structural and cultural.

I want to make the point that you cannot create an innovative and entrepreneurial class overnight. It must be done in a systematic manner over a period of time. For example, it calls for reforming our education system and I have made that point before. It is not sufficient to create a national innovation system and a national entrepreneurship development programme and allocate funds. This might be a good start but more needs to be done.

Many have ideas, some not too clear, as to what should be done and maybe we should consider bringing some of them together to brainstorm. And here I would like to suggest that the Government take the initiative in organizing a workshop on innovation, entrepreneurship and competitiveness involving representatives from all stakeholder groups: government, private sector, academia and also the diaspora and come up with a plan of action. Once you come up with a plan of action, you set up a task force to help implement that plan of action. This is my recommendation to the Government.

Here I want to suggest that you work closely with the independent, non-governmental organization which was launched yesterday in Port of Spain at the Hyatt Regency, the Caribbean Science Foundation. One of the objectives of that organization is to create an entrepreneurial class in the Caribbean. That is

their focus. They are going to seek funding and provide seed funding for young entrepreneurs. Their two major areas of focus; that is one of them, and the other major area of focus initially is going to be on science education reform in the Caribbean.

I want to mention that this organization has some very distinguished people on the governing board. This includes the Prime Minister responsible for science and technology in Caricom, who is the Prime Minister of Grenada; a former distinguished prime minister is also on the board; a distinguished Barbadian professor at the prestigious Massachusetts Institute of Technology; a Nobel Laureate and a very successful Caribbean entrepreneur based in Silicon Valley and who works in frontier areas of technology.

Universities are traditional repositories of knowledge apart from having capacity for research and hence they should play a major role in the creation of a knowledge-based society. This is acknowledged in the 2011 budget. The major challenge facing them is how, in addition to their traditional roles of teaching and research, can they realign with the economic development of our country? That is the major challenge.

You heard this morning the hon. Minister of Science, Technology and Tertiary Education mention that we, in fact, have three universities now in the country and what we need to do first, is to mobilize these universities. That is the first thing we need to do. Towards this end we need to set up a university council which reports directly to the Minister of Science, Technology and Tertiary Education. I suggest that this council can look at undertaking reform to facilitate this realignment of the university to our economic development; cooperate particularly in strategic areas of research; minimize duplication; and intensify our efforts towards the pursuit of excellence. [*Desk thumping*] We are still to be placed among the top 500 universities in the world.

The Minister spoke about duplication. There is tremendous duplication in the system and he gave an example of duplication. We really need to bring the heads of these universities together and let them talk to each other and come up with ways whereby we can improve quality at the university, realign their programmes with the economic development of the country and look at common areas of research. [*Desk thumping*] It makes no sense, for example, that we have a research unit in solar energy at UTT and we have a research unit at UWI. It makes absolutely no sense. [*Desk thumping*]

6.15 p.m.

If you go through the list of research areas, you find a number of other areas where we do not need that kind of duplication. I would also like to suggest that in order to promote transparency and efficiency at our universities, those that are recipients of state funds should provide an annual report which is available to the public.

In the delivery of science and technology for development, Government must seek greater partnership. We do not expect them to do it all. I assure you that there are willing NGO partners with proven track records. I know that because I worked with a number of them. They are playing a major role in transforming the science/technology landscape in the Caribbean so that it can better contribute to our economic development.

Science and technology are the underpinnings of innovation. If you do not have a science and technology base in the country, you cannot talk about innovation. These NGOs are normally driven by totally committed individuals who, from time to time I know, dip into their own pockets for the national good. They are agile and operate on very lean budgets. Much has been accomplished and much more can be accomplished even with small grants. My suggestion to Government is that it needs to consider this and further strengthen its partnership with NGOs.

I now turn to expenditure on research and development. The Minister of Science, Technology and Tertiary Education spoke about research and development. The development of any country is linked with expenditure on research and development. There is a strong correlation between development and expenditure on research and development.

As a percentage of GDP, it is recommended that developing countries spend 1 per cent of GDP on research and development and the developed country spend 3 per cent on research and development. The figure we have for Trinidad and Tobago, a middle-income country—there is not a lot of data—is .13 per cent in 2005. Rwanda, which has a weak economy and is a poor country, is now spending 1.6 per cent of GDP on research and development. They are proceeding to science based development in their country. India, China, Brazil are spending an average of 1.2 per cent. We heard Costa Rica mentioned. Costa Rica is a country we need to look closely at in terms of development. They are spending over 1 per cent.

Madam Vice-President: Hon. Senators, the speaking time of the hon. Senator has expired.

Motion made, That the hon. Senator's speaking time be extended by 15 minutes. [*Hon. F. Karim*]

Question put and agreed to.

Sen. Prof. H. Ramkissoon: Thank you, Madam Vice-President, and fellow Senators.

We were talking about the percentage of research and development. I was saying that in Costa Rica it is over 1 per cent and over 40 per cent of their exports are high-tech exports. What percentage of our exports are high-tech? I do not have that figure, but it is not going to be very high.

PROCEDURAL MOTION

The Minister in the Ministry of National Security (Sen. The Hon. Subhas Panday): Madam Vice-President, in accordance with Standing Order 9(a), I beg to move that the Senate continue to sit until 11.00 p.m.

Question put and agreed to.

APPROPRIATION (FINANCIAL YEAR 2011) BILL

Sen. Prof. H. Ramkissoon: Madam Vice-President, the hon. Minister of Science and Technology made a contribution in this honourable Senate saying that his Government intends to spend 3 per cent of GDP on research and development. Even if, hon. Minister, you raise it from less than 1 per cent to 3 per cent over five years, that would be a remarkable achievement.

Mention was made in the budget of the expansion of the research and development facility at the Business Development Company. I would like to find out whether there are other expenditures on research and development in the budget. I would also like to make the following remark. The Minister of Science, Technology and Tertiary Education talked about the contribution of the private sector to research and development. The contribution to research and development comes from two sources: the Government and the private sector.

When you look at the history of development of most countries, initially the government spends the larger sum towards research and development and, as you develop your capacity with respect to research, to the extent that it can now be utilized by the private sector, the private sector will then invest in research and development to a larger extent. Initially, government has to put out the funds.

I will give you an example of what I experienced five or seven years ago. I was at a science meeting in India and this meeting was addressed by the then

Appropriation Bill (Budget)
[SEN. PROF. RAMKISSOON]

Wednesday, September 22, 2010

Prime Minister of India. He touched on research and development and made it quite clear that the government had done enough for research and development in that country. From the very beginning, after independence, the government had pumped a lot of money into science, technology, research and development. He made it quite clear at that meeting that it was time for the private sector to play its part. I hope that our Government understands this and that it provides the additional funds for research and development, particularly in key strategic areas of development.

Now I am going to tread with care. I tread with care when I enter an area that is outside my knowledge base. I am moving into economics. I should tell you, despite the many jokes we hear about economists, that I have tremendous respect for economists. Theirs is a difficult calling.

I want to talk about debt and deficit financing. The Minister of Finance has projected a fiscal deficit of \$7.7 billion or 5.48 per cent of GDP. He reported that for the fiscal year 2009/2010, the net public sector debt-to-GDP ratio was contained to less than 50 per cent and he proposes to maintain it at that level in fiscal 2010/2011. It is unclear how that ratio will be maintained at the same level after the deficit is financed mostly through borrowings; unless the Minister is hoping that the entire deficit will be covered by the intake from the tax amnesty programme—[*Interruption*—I know it is a question of numerator over denominator—which may be overambitious.

I wonder if the Minister would provide information on the intake from the past two tax amnesties as a proportion of the total tax outstanding. That is the figure we are interested in.

If, on the other hand, debt increases due to borrowings locally and abroad, then the debt-to-GDP ratio will also expand—numerator. This is worrisome, since this is a key ratio with regard to borrowing on the international market. An increase in debt will also mean that more funds will go to debt servicing and less to development activity.

Before I conclude, I want to touch on outsourcing because I do not think anybody touched on it. I will be brief. Basically, I think we have missed the boat.

A friend of mine, a foreigner, said to me, that the Indians have taken a meal off our table; and he was right. If we were monitoring the global situation and were taking the advice of scientists, we would have moved into IT a long time ago. We would have realized that we were moving from the industrial age to the

information age and made the necessary changes. We would have ridden the information wave. We did not do that and, although there may be special niches now, we have missed the boat.

The outsourcing space is becoming crowded. Even the Latin American countries are getting into outsourcing—Chile and Argentina. While I wish you well in this venture, I just thought I would point these facts out to you. I am sure that you are well aware of them. We will have to carve our niches for ourselves.

The budget expresses an intention to explore new directions and to look at different approaches to sustainable development. We commend the Government for this. While we view this as short term, we look forward to seeing a greater vision for our country later.

The budget has identified important areas of focus including education, innovation, entrepreneurship, food and energy security and poverty alleviation. The challenge ahead is working out the details and in the case of Sen. Abdulah, there may be further details and implementation. That is where your challenge lies.

Most importantly, the Government of the day must address the burning issue of the day and that is the major problem of crime. No matter how grandiose your plans, you cannot build a house on sand.

If we are to ensure a viable living standard and quality of life for our people, we have no choice, but to build a safe, a corrupt-free society with good transparent governance, a skilled adaptable workforce and an enabling environment to nurture innovation and entrepreneurship. And time is not with us.

I thank you.

6.30 p.m.

Sen. Embau Moheni: Madam Vice-President, I would first like to take this opportunity to thank the Prime Minister for affording me the opportunity to serve my people and my country in this august Senate. I would like to go further to state my position very clearly, in as far as I recognize the great power this Parliament has to affect the lives of the people of our beloved twin-island state.

It has long been accepted as a defining principle that with great power comes great responsibility; that whenever we take the oath of this office and the power that goes with it, we also accept the responsibility to be servants of our people, not only to preserve their welfare and their rights but, ultimately to fulfill their wishes in recognition of their sovereign authority as the true Government of this land.

Appropriation Bill (Budget)
[SEN. MOHANI]

Wednesday, September 22, 2010

I have taken that oath along with all others here. To me, that oath is my contract. The Constitution is my source. My conscience is my guide. With your leave, I will quote from my source, the Constitution.

“Whereas the People of Trinidad and Tobago—

- (a) have affirmed that the Nation of Trinidad and Tobago is founded upon principles that acknowledge the supremacy of God, faith in fundamental human rights and freedoms, the position of the family in a society of free man and free institutions, the dignity of the human person and the equal and inalienable rights with which all members of the human family are endowed by their Creator;
- (b) respect the principles of social justice and therefore believe that the operation of the economic system should result in the material resources of the community being so distributed as to subserve the common good, that there should be adequate means of livelihood for all, that labour should not be exploited or forced by economic necessity to operate in inhumane conditions but that there should be opportunity for advancement on the basis of recognition of merit, ability and integrity;
- (c) have asserted their belief in a democratic society in which all persons may, to the extent of their capacity, play some part in the institutions of the national life and thus develop and maintain due respect for lawfully constituted authority;
- (d) recognise that men and institutions remain free only when freedom is founded upon respect for moral and spiritual values and the rule of law;
- (e) desire that their Constitution should enshrine the above-mentioned principles and beliefs and make provision for ensuring the protection in Trinidad and Tobago of fundamental human rights and freedoms.”

We must demand more of ourselves than we demand of our people. What I am saying is that we expect, we advocate and we implore that our citizens, our people, adhere to moral values. We advocate that there be fair play within our society and today we are struggling against the surge of a crime-ridden society. As leaders and as individuals who have taken an oath to our nation, it is our responsibility to be the example in ensuring that all that we hope for in our society could be reflected in our conduct, our will and our pursuits.

We have heard time and again, those on the other side talk about: “It is time to move on, the people do not want to hear about the past and that they want to know

what we are going to do.” We are going to do—and what we are going to do is important, but the transgressions of the previous regime are also critical, not only to what we have to do, but to what our people have to do. Our people need to know and our people need to be accounted to. This is not an economic exercise only, it goes beyond academics, because I do not need to inform this Senate of the conditions of life that our people experienced in the not too distant past.

As we look at the 2010/2011 budget, therefore, it has to be in the context of where our country has come from, where we are and where we must go and the factors that are going to affect and influence us as we try to take those steps forward; whether they are going to be mini steps or giant steps.

I would like to first of all congratulate the Minister of Finance for his skilful handling of a very delicate, fragile and difficult situation into which this People’s Partnership Government was thrust after hundreds of billions of dollars were mismanaged by the previous regime.

I would also like to congratulate the Minister of Food Production, Land and Marine Affairs for his determination in dealing with such a critical area. For when we examine what has happened in the past seven years, we will see that the price of food went up by over 300 per cent. It is a heavy burden for our people to bear. I, therefore, congratulate him on the vigour with which he has been approaching his Ministry and the determination he has shown to ensure that our people can receive the food that we need in order to bring the prices of our food items down.

Madam Vice-President, we have been debating this budget for the past few days and this budget gives just another reflection of the determination and the intent of the People’s Partnership Government to steer this country to the shores of safety and a brighter future.

As I have said, before it was a very serious challenge to anyone who had to come up with a budget, given the declining fortunes, the slide. We were on a downward slide on a very slippery road. We were not on an even keel. We were going down and the Minister of Finance had to design a strategy. Yes, we have gone on a deficit of \$7 billion, but it is a strategy that will soften that landing for our people, while we begin to regroup our resources and remobilize our people, so that we could begin to chart this country into safer terrain.

When we looked at some of the initiative of this People’s Partnership Government, as would also be reflected in the budget, we see the emphasis on poverty alleviation. Poverty is a scourge to any society. It marginalizes human

Appropriation Bill (Budget)
[SEN. MOHENI]

Wednesday, September 22, 2010

resource and therefore it contributes even further to the pauperization of our society. This People's Partnership Government is determined to take very positive measures in order to deal with the question of poverty.

Madam Vice-President, I would like us to take a look at the whole question of Tobago, because Tobago has been disadvantaged for so long, that it was found necessary to legislate a minimum of 4.03 per cent to ensure that Tobago's needs can be met. But what we have witnessed in the recent past is a total mismanagement of the funds that have been allocated to the Tobago House of Assembly.

I have heard the Senator on the other side from Tobago talk in terms of the Scarborough Hospital, trying to allude that the hospital was started by the UNC government; nothing can be further from the truth. The sod was turned in 2003, for the construction of that hospital, at which time, both the Tobago House of Assembly and the central government were under the control of the People's National Movement. Not only that, we the people of Tobago were supposed to enjoy the benefits of that hospital in 2005, at an estimated cost of \$136 million. By the time the project was derailed, it had overrun its cost by over \$100 million. To date, 2010, we still do not benefit from all the money in terms of improved health care.

6.45 p.m.

Madam Vice-President, not only that. The Senator also spoke about the fact that in 1956, Tobago was promised a new hospital, which is true. But not only were we promised a new hospital, but it was budgeted for in the budget of 1957. So we were promised that hospital and it was budgeted for and, to date, we have not received that hospital, and over \$700 million has been spent on the present hospital.

Madam Vice-President, I have been hearing much talk about money being allocated to the Tobago House of Assembly, and crosstalk as to which years—who gave more and which year was the most. The fact remains that even though the Tobago House of Assembly is receiving its 4.03 per cent, what the learned Senator did not state is that our concern goes beyond the 4.03 per cent that the Tobago House of Assembly is receiving.

As a matter of fact, the concern of all of us should go beyond that. In addition to what the Tobago House of Assembly is receiving, the Government has allocated over \$2.6 billion for the development of Tobago. In other words, our concern has to go beyond the Tobago House of Assembly as an institution. [*Desk*

thumping] The Tobago House of Assembly has a responsibility to perform, but our responsibility has also to be, even more so, the development and the interest of the people of Tobago.

When we look at the track record of the Tobago House of Assembly, in terms of the management of our people's finances, it leaves very much to be desired. The last time we received a statement from the Auditor General, as far as the THA accounts are concerned, was for the financial year 2003, and for that financial year the Tobago House of Assembly failed to account for \$389 million.

We should be glad, therefore, if funds are allocated for the development of Tobago through other institutions, even though the Government stood by its legal responsibility and did allocate the 4.03 per cent to the Tobago House of Assembly.

Not only that, in that same year of 2003, the Auditor General reported that finances were deposited into interest bearing institutions, and the interest that would have been earned has not been accounted for. I, therefore, would like to recommend a forensic audit of the Tobago House of Assembly.

Madam Vice-President, I have also been looking at the financial statements of the Tobago House of Assembly for the period 2002—2008. Among other items, the following statements would include; parliamentary appropriation to the Tobago House of Assembly, recurrent releases, development programme releases as well as the Consolidated Fund. Additionally, the statements of income showed unspent balances and interest from bank accounts. So, while they are crying out about what funds they are receiving, I would show where there have been unspent balances, and that the Tobago House of Assembly regulations have been flouted in terms of how these balances have been utilized over the years.

During the period 2003—2008, the THA statements of income showed unspent balances and interest from bank accounts. During the period 2003—2008, the Tobago House of Assembly statements of income showed an accumulated total of \$291,142,643.88 in respect of unspent balances. Interest from bank accounts on the statements showed that the Tobago House of Assembly, during the same period 2003—2008, earned interest in the amount of \$31,068,477.98.

Madam Vice-President, I am quoting these figures to show that the Tobago House of Assembly, in addition to the annual parliamentary appropriations, has access to additional funding by way of unspent balances and interest from bank accounts.

Appropriation Bill (Budget)
[SEN. MOHENI]

Wednesday, September 22, 2010

A look at the THA expenditure statements for this period, 2003—2008, will show accumulated expended total of unspent balance of \$179,720,475.25. Apart from a block figure for each financial year for this period, the financial statements showed no details of capital projects on which these unspent balances were expended. Under the Tobago House of Assembly Act, these balances are to go forward to the following year to be used on capital expenditure.

The Tobago House of Assembly Act, No. 40 of 1996, Part IV, section 48 states:

“Notwithstanding section 42 of the Exchequer and Audit Act, moneys appropriated by Parliament to the fund for the service of a financial year shall be retained in the fund and utilized for the purpose of capital investment.”

This has not been done.

Madam Vice-President, it is common knowledge that the PNM administration in Tobago for the past nine years has failed to perform; failed to deliver; failed to complete any major capital project and I would name a few: The Scarborough Hospital; Shaw Park Cultural Complex; the Scarborough Library—we should note that since 1997 Tobago has been without a central library; the Scarborough Health Centre; the Financial Complex; Charlotteville Health Centre; Crown Point Airport Extension; the Moriah Recreation Ground and agricultural access roads, and the list goes on and on.

Madam Vice-President, after \$15 billion has been spent over the last nine years, what Tobago has to show for that money? A lot of halfway and quarter-way completed projects while billions of dollars are tied up in projects where our people's funds have been mismanaged.

Sen. Abdulah: The London Bridge is falling down.

Sen. E Moheni: At the last THA election, the Chief Secretary was commended for his stewardship by the former Prime Minister, who embraced him at a public meeting and said: “This is my beloved son in whom I am well pleased.” What arrogance and disrespect for the wanton waste of taxpayers' money!

Madam Vice-President, I would like to go a little further. The THA financial statements, as they relate to contingency income and expenditure showed the following: In 2003, income for such a fund, nil; expenditure and contingencies for the year 2003, \$401,304; in 2004, contingency expenditure jumped dramatically from \$401,000 to \$6,633,229; in 2005, contingency expenditure, \$7,180,301. I have to ask whether these were planned contingencies. In 2006, contingency

expenditure went to \$12,264,574.12; in 2007, \$10,042,081.91; for the year 2008, it jumped dramatically to \$340,151,136.95. This is what is happening to our people's money in Tobago. Total income, nil; total expenditure \$350,672,672.02.

Madam Vice-President, how could financial statements show contingency expenditure of \$350 million and not show the source of income? Where has the money come from? Where has it gone? We need to know this. Is this because the THA was informed by the Auditor General's Department that the THA was unlawful in reducing the parliamentary allocations by 3 per cent to create a contingency fund? This is what they were doing. They were first reallocating 3 per cent of the parliamentary allocations for the creation of a contingency fund which was outside of the regulations of the THA Act. Is there an element of fiscal indiscipline in the accounting of the Secretary of Finance of the THA?

Madam Vice-President, I seek your permission to read into the record of *Hansard* a memorandum of the Ministry of the Attorney General dated September 26, 2007 on the subject: Request for legal advice as to the legal implications of the Tobago House of Assembly setting aside 3 per cent of recurrent expenditure. I would read from the document, Ministry of the Attorney General memorandum, to the Auditor General from process review team, Ministry of the Attorney General dated September 26, 2007.

Subject—Request for legal advice as to the legal implications of the Tobago House of Assembly setting aside 3 per cent of recurrent expenditure:

Reference is made to your memo dated April 18, 2007 on the subject above. I am directed by the hon. Attorney General to provide you with the following advice on the subject above:

7.00 p.m.

The THA Financial Rules of 2001, which was cited in the evidence provided as the authority for the establishment of the Contingency Fund are legally not enforced to provide the legal basis for the THA Executive Council Decision No. 152 of 2001. THA Executive Council Decision No. 152 of 2001, purports to authorize the setting aside of moneys as a Contingency Fund. Section 48 of 1996 THA Act requires the THA to retain moneys appropriated by Parliament to the Fund, only when there remains an unexpected proportion at the end of the financial year in which case, the unexpected proportion must be utilized for capital investment purposes.

Appropriation Bill (Budget)
[SEN. MOHENI]

Wednesday, September 22, 2010

According to the financial year, Act No. 23 of 1998, the financial year for the purposes of the retention of surplus moneys arising from parliamentary appropriations is from October 01 of one year, to September 30 of the following year. It is quite clear that the THA was acting outside of their purview in breach of the THA Act.

Madam Vice-President, we of the People's Partnership Government, will put systems in place to ensure that there is accountability in every government institution in Trinidad and Tobago, and to our brothers and sisters in Tobago, we will renew our pledge to partner with you and bring Tobago side by side with Trinidad. [*Desk thumping*]

The Leader of the Opposition has stated that there is little collaboration with the PNM-led THA and the Ministry of Tobago Development. The fact remains, that even when the central government was controlled by the PNM, there was little or no collaboration or consultation. It is just that they kept quiet and they said nothing. We in the People's Partnership Government, however, are committed to consultations and collaboration, [*Desk thumping*] not only with the THA, but even more so, with the people of Tobago. And while there is much talk about failure to consult and failure to collaborate, I am proud of what our Government has achieved in the 4 months that we have been in office. [*Desk thumping*] In the fiscal year 2010/2011, much benefit will redound to the people of Tobago.

I stand by the fact that when we take into consideration the finances that will go to the Tobago House of Assembly, in conjunction with what will be spent by other arms of the Government—other Ministries—it is the biggest slice that Tobago will receive. I go a little further. Tobago will benefit from the completion of the Shaw Park Cultural Complex, Crown Point Airport extension, Scarborough Hospital. Also to be completed is an indoor sporting complex, administrative complex for Roxborough, and the development of Roxborough.

Madam Vice-President, we have seen in the financial statements for the period 2003—2008, the THA had an unspent balance of \$111 million at the end of 2008. Further, perusal of the THA financial statements shows the item, contingency expense on the expenditure side. Having searched for this item on the income side, we have seen that it does not exist.

In spite of the fact that the hon. Minister of Finance has allocated for fiscal 2010/2011 the highest ever budget allocation to Tobago in the amount of \$2.6 billion, the Secretary for Finance in the THA is complaining that several projects have not been adequately funded. The fact remains that all of these projects were supposed to be completed, even prior to the reading of this budget.

The THA received its releases on a quarterly basis en bloc, and they have the right to reprioritize and to transfer funds within the allocations. So the pronouncement by the THA Secretary for Finance that workers might have to be sent home because specific projects were underfunded is nonsensical.

Madam Vice-President, in his wisdom, the Minister of Finance has focused on providing expenditure to ensure the improvement of education; to ensure the improvement of the opportunities for investment in the north-east region of the island, which has been a critical area of underdevelopment, a critical area that our people need to have developed for the creation of opportunities and employment. What is needed however—there is a question of allocation of more funds—is how we manage the resources that we have at our disposal. What we need is value for money.

We have seen in this country, Trinidad and Tobago, the wanton wastage of resources. Projects that should have brought value to our people, not only went over the budgeted cost, but have not been delivered for the benefit of our population. This People's Partnership Government is going to create a new way forward for our people of Tobago, as well as Trinidad. The critical factor at this point in time, revolves around the question of productivity. Productivity has to be seen as the solution to the ills that plague our nation, and this People's Partnership Government has put our nation on a pathway that is going to lead to greater productivity.

We have seen in the past where Tobago has been marginalized and victimized. So while we talk in terms of allocations, we have to recognize that the Ministry for Tobago Development is nothing new to Tobago. As a matter of fact, the Ministry of Tobago Affairs was only disbanded in 1976, after the people of Tobago voted out the two representatives from the People's National Movement.

Hon. Member: Really?

Sen. E. Moheni: That was done as an act of vindictiveness and spite against the people of Tobago, for exercising their constitutional rights of selecting whoever they wish to represent them. This has been the hallmark of the People's National Movement government—alienation and marginalization. Today, we are on the pathway of instituting a new policy of inclusion, a new policy bringing all our people on board. As our Prime Minister has said, "No one will be left behind." We are going beyond that period of fragmentation, where fragmentation was the order of the day, where our human resources could not and were not given an opportunity to contribute as they should to the development of our society.

Appropriation Bill (Budget)
[SEN. MOHENI]

Wednesday, September 22, 2010

Madam Vice-President; how could we expect a high level of productivity in an environment in which our people do not have a sense of fair play? How could we expect productivity in an environment of corruption? I would like to reiterate some items of cost overruns where our nation is concerned, because we in the People's Partnership Government would like to move on, but we cannot move on without cleaning up the mess that we have met. We have seen that the Chancery Lane project in San Fernando is a \$300 million over cost, with 24 months delay; the Legal Affairs Tower, \$300 million over budget, 18 months delay; International Waterfront, \$1.3 billion over budget; the Ministry of Education Towers, \$300 million over budget, 20 months delay; NAPA, Port of Spain, \$234 million over budget, 12 months delay; NAPA, San Fernando, \$238 million over budget, 30 months overdue; Beverly Hill, \$106 million over budget, 65 months delay; the Diplomatic Centre at the Prime Minister's residence, \$200 million over budget, five months overdue.

In 2004, refurbishment of the Hilton Hotel in Port of Spain was originally estimated at \$222 million, but was revised to \$483 to host the Summit of the Americas and the Commonwealth Heads of Government Meeting. Last year there was a further revision, pushing the estimate to \$633 million.

7.15 p.m.

The cost of the 100-bed Scarborough Hospital which has been under construction since 2003 was originally budgeted to cost \$136 million. This could rise to as high as \$760 million.

Madam Vice-President: Hon. Senators, the speaking time of the hon. Senator has expired.

Motion made, That the hon. Senator's speaking time be extended by 15 minutes. [*Hon. S. Panday*]

Question put and agreed to.

Sen. E. Moheni: [*Desk thumping*] Thank you, Madam Vice-President. Thank you, fellow Senators. It is quite clear that our people's moneys have been wantonly squandered. This is a people's matter. It involves the very soul of our nation. What guarantees do we have that this situation does not recur? The only guarantee that we could have is to show this nation that we are serious in ensuring that our people's moneys are accounted for, in ensuring that no stone is left unturned insofar as investigating every single one of these projects to ensure that justice be done. This is a matter, as I said, of which our entire nation should take stock.

As someone pointed out earlier, the nation is watching, but, not only watching, the nation is hoping. Our children are looking on. How are we to expect our parents to teach our children moral values when we cannot set the example, we cannot or we failed to lead the way in ensuring that in the highest halls of the land, in the exercise of our duties as entrusted to us, that our people can feel safe, secure and confident that their moneys have been well spent?

We have to look beyond dollars and cents, Madam Vice-President. When we look at the quality of life in areas like Cedros, Beetham, Tobago, Sea Lots, Laventille and in so many other parts of our country, where our youth are being denied the privileges that they should have, where our elders are being made to suffer as a result of the squandermania that we have experienced and where our families are struggling to make two ends meet, where we have seen that 20 per cent of our population still live beneath the poverty line, it is incumbent on us that we accept our responsibility to ensure that this state of affairs is not only addressed but addressed in such a manner that it must never happen again.

The past regime had over \$300 billion at their disposal. Billions of dollars are today tied up in high-rise buildings, stadia and other projects while our people are in want. We have seen communities that are in dire need of sometimes not even very much and are denied the funds that they need in order to live while millions of dollars are squandered, and this is why I say this goes beyond any individual. It goes beyond any party. It goes even beyond Parliament. This has to be a people's matter. It is only when our people get involved and become the guardians of their own interest that they could guarantee that this situation never occurs again.

We would therefore like to hear the voices of the Chamber of Commerce, of the trade unions, of our businessmen, our academics, our sport and cultural groupings, our NGOs, our civil society organizations. Our nation's future is at stake. We are, as I already pointed out, on a slippery slope sliding downward. This People's Partnership Government has shown the will and determination to work hand in hand with our people, to show that bigness to eradicate the pettiness that has prevailed in the past and to bring a sense of sanity to our nation, but our people need to be involved. We cannot do it alone. It can only be done in conjunction, in collusion and with the cooperation of our entire population.

Madam Vice-President, in closing I would just say that the People's Partnership Government has started on the right track. We have shown a sense of humaneness and a sense of humanity. The previous regime spent hundreds of billions of dollars. I know my time is running out but I would just provide you with this information in terms of the human development index in a country like

Appropriation Bill (Budget)
[SEN. MOHENI]

Wednesday, September 22, 2010

Trinidad and Tobago and compare it with some other Caribbean islands. This information came from the United Nations where Barbados is ranked 37th in the world, Antigua 47th, St. Kitts 62nd and Trinidad and Tobago 64th. We are barely above Dominica which is 72nd.

This People's Partnership Government is determined that money must not just be squandered. Money has to be utilized to ensure that our people come first, that the quality of our people's lives is lifted and we are determined to work to achieve that goal. Thank you. [*Desk thumping*]

The Parliamentary Secretary in the Ministry of Energy and Energy Affairs (Sen. Kevin Ramnarine): [*Desk thumping*] Madam Vice-President, it is an honour to join this debate.

Madam Vice-President: Senator, before you start your contribution, I think it would be remiss of me if I did not recognize on this September 22nd, the 9th Sitting, the maiden contribution of the hon. Sen. Embau Moheni. Congratulations to you. [*Desk thumping*]

Sen. K. Ramnarine: Thank you very much, Madam Vice-President. It is an honour to join this debate and I take the opportunity to first of all congratulate our very distinguished Minister of Finance for the 2010/2011 budget. I would also take the opportunity to thank the hon. Prime Minister for what she has done in the last four months in turning this country around. I would also commend the hon. Minister of Energy and Energy Affairs for her contribution to this Senate yesterday. I thought it was quite a wide-ranging and insightful contribution and I hope I could carry on from that point.

Madam Vice-President, I want to deal a bit with some history before we move on. In 1950, Trinidad and Tobago had a general election and the results of that election saw 15 persons being elected to this Parliament then called the Legislative Council. The party that won the majority of seats in that election was called the Butler Party, however, the then Governor General of Trinidad and Tobago did not see it fit to recognize Tubal Uriah "Buzz" Butler and members of the Butler Party when he was forming the government. Sixty years later, it is indeed poetic justice that a former president of the trade union that was founded by "Buzz" Butler is now the Acting Prime Minister of the Republic of Trinidad and Tobago. Indeed, we have come full circle. This is because on May 24, 2010 there was an evolutionary leap in democracy in Trinidad and Tobago.

Madam Vice-President, I want to also, in dealing with history, reflect on a comment made by our colleague, Sen. Hinds, yesterday when he said, "They

never supported independence”, and when he said that we asked him to clarify exactly to whom he was referring. That statement implies that there were groups in Trinidad and Tobago that did not support the independence movement in 1962. That, to me, is a gross distortion of history and a manifestation of ignorance on a massive scale.

[SEN. PROF. PATRICK WATSON *in the Chair*]

The history of this country will record that the Trinidad and Tobago delegation at Marlborough House in London included members of the then Opposition, people such as Lionel Frank Seukeran, Tajmool Hosein and Ashford Sinanan and if Sen. Hinds wants some more clarification on that I would recommend to him that he have a conversation with Sen. Al-Rawi who is the grandson of Lionel Frank Seukeran.

I have studied the contributions from the Members in the other place and those that we have had over the last three days and there is a certain advantage that comes with being able to speak at the tail end of a debate like this. One has the opportunity to digest and to synthesize what has gone before and I congratulate Members of the Independent Bench for some very good contributions to this debate. [*Desk thumping*] In particular, I want to single out the contribution of Sen. Prof. Harold Ramkissoon, [*Desk thumping*] Sen. Basharat Ali [*Desk thumping*] and Sen. Dr. Rolph Balgobin. [*Interruption*] I am sorry I am not in a position to give similar commendation to members of the Opposition but maybe our dear friend, Sen. Beckles, will prove us wrong tomorrow when she contributes.

Mr. Presiding Officer, denial is often an indicator of decline. Listening to the contribution from the PNM in this debate, one gets the idea that the hubris, and that is a word that was used quite often in this debate, that so typified their last days in government has now followed them into Opposition. Mr. Presiding Officer, they have not yet identified the disease that afflicts them and if they want to get an idea of what that disease is, I recommend that they read the columns of Prof. Selwyn Ryan particularly in the months of June and July following the general election.

The budget that was presented by the Minister of Finance sought to deal with a number of urgent matters. At a very deep level of analysis, one would see that the budget is a fundamental philosophical departure from the economic policies of the past government. The budget seeks to realign fiscal policy with the needs of

Appropriation Bill (Budget)
[SEN. RAMNARINE]

Wednesday, September 22, 2010

the people. The previous administration determined what, in their view, the people needed and then tried to sell it to them. This Government is a government that has flipped the pyramid. We operate from the ground up. [*Desk thumping*]

7.30 p.m.

That thinking is consistent with new world modern thinking. The old logic of governance started with government. The new logic starts with the individual citizen who is the end user. This inversion of thinking makes it possible for a better alignment between policy, assets and the needs of the people. A Government that is led by such thinking will, therefore, respond to flooding immediately; [*Desk thumping*] will, therefore, respond to outbreaks of dengue immediately and will not waste time on frivolity. Such a Government is a People's Partnership Government led by the hon. Kamla Persad-Bissessar. [*Desk thumping*]

I now turn to the energy sector, and before I go into the Trinidad and Tobago picture, I want to deal a bit with the global scenario. Let us examine what has been happening globally as far as energy is concerned. As far as energy is concerned globally, the world is being driven currently by two dominant ideas.

The first being, the industrial west and Japan emerging from the worst recession since the great depression; and the second idea is that the world is experiencing a shift in its centre of gravity, which is moving back to the east. And I specify, "back to the east". Because 300 years ago, according to economic data, the largest economies in the world were, in fact, China and India. So, according to one historian, the brief heyday of the west is coming to an end.

We, therefore, live in very interesting times and we are very fortunate to be witnessing these great global events unfold before us. As a consequence, the global economy continues to undergo structural change as hundreds of millions of people in India, China, Brazil and Russia now aspire to catch up to income levels in the developed world. Indeed, capitalism is at a crossroads.

The growth in emerging economies in the world will cause global primary energy demand to increase by 40 per cent or more by the year 2030, compared to the year 2009. Although renewable energy—that is wind and solar, and so forth—will grow quickly, oil and gas are expected to remain the dominant sources of energy for the world in that period. But emphasis must be placed on renewables, because oil and gas have a carbon footprint that is not acceptable in a low carbon world. And Sen. Harold Ramkissoon spoke about solar civilization, which is a lovely term. It sounds sort of science fictional, but a lovely term.

At the same time, the United States is experiencing a very unique situation, and we heard people talk about it in the other place, and we heard some reference to it in this Chamber. That situation has to do with the shale gas discoveries in the United States. It is estimated that in the last 10 years, the United States' proven reserves of natural gas have increased by 50 per cent because of what is called the silent revolution in shale gas. That revolution is brought about through the use of technologies such as horizontal drilling and hydro-fracturing that have made these deposits of gas that were previously unrecoverable and uneconomic, now accessible. This has had serious ramifications for our own LNG industry, and by extension, our economy. I will deal with that later.

The world also needs—and Trinidad and Tobago also needs—its oil and gas production to be safe. We all witnessed what happened in the US Gulf of Mexico in the last five months. It was very traumatic to look at on TV, and it must have been even more traumatic for the people who live in those states around the Gulf of Mexico.

For this reason, the Ministry of Energy and Energy Affairs, under the direction of the Minister of Energy and Energy Affairs, Carolyn Seepersad-Bachan, sought as one of the first initiatives upon assuming office in May 2010, to immediately address the issue of the finalizing of a national oil spill contingency plan. This, however, did not seem to be a priority for the previous Government. National oil spill contingency planning is made all the more relevant by the fact that only two weeks ago, we opened the bid round for the deepwater blocks off the east coast of Trinidad and Tobago.

It is no mystery that the energy sector will continue to be the backbone of this economy in the short to medium term. As I had also indicated in an earlier contribution in July, there is also a link between the energy sector and the demand for services in Trinidad and Tobago. So that the sector's contribution to the economy may be more than is measured in the national accounts.

To stimulate the economy in the short term, we need to seriously consider how we increase oil production. As pointed out by the Minister of Energy and Energy Affairs in her contribution yesterday, oil production has been in decline; and oil production, as Sen. Basharat Ali would know, has been in decline not for a lack of oil, but for a lack of investment and a lack of focus and a lack of vision.

Our figures indicate that this country has over 600 million barrels of oil, and that is classified as proven reserves. So we still have quite a lot of oil in Trinidad and Tobago, and that is just the proven category; when we look at the probable

Appropriation Bill (Budget)
[SEN. RAMNARINE]

Wednesday, September 22, 2010

category and the possible category, we could have even more oil. So, the decline in oil production is very serious, and it is one way that we could immediately address the issue of revenue, because revenue, of course, is heavily hinged to the revenues that we receive from oil and gas.

That decline in oil production was exacerbated by the fact that the state oil company was hamstrung by a series of failed projects, and Sen. Ali alluded to that when he spoke. The irony of all this is that we had declining oil production in years when oil prices were the highest in history. In 2008, oil prices hit \$148. Any farmer—and at this point, I want to commend my colleague, the Minister of Food Production, Land and Marine Affairs, for the great job he is doing in turning around the agricultural sector. [*Desk thumping*]

Any farmer will tell you that he tries to sell as much cucumbers as possible when the price is high. That simple layman's logic escaped the PNM and its energy czars in the period 2006 to 2010. I want to tell the PNM today—and their energy czars—that the days of an energy sector run by a few chosen, and a cabal, are over; and the days of consultation with the people of Trinidad and Tobago are here.

The Minister of Energy and Energy Affairs spoke yesterday about the bid round that was recently closed two weeks ago, and we simultaneously opened a bid round for the deep water. Bid rounds are very significant things, very important things, in the life of the Ministry of Energy and Energy Affairs, because this is where we attract companies—local companies and foreign companies—to invest and to drill. So one cannot prove up reserves unless one explores.

In December 2006, there was a bid round called the “Deep Atlantic” bid round, and that bid round was described by the late Trevor Boopsingh as the worst bid round in history. The Minister of Energy and Energy Affairs, in her contribution, provided some data on these failed bid rounds that have really set the country back. In the December 2006 deepwater bid round, there were eight deepwater blocks that were offered. One bid was received. This is December 2006. Who was in power back then?

One bid was received from a company called Statoil Hydro. That bid was subsequently withdrawn. That was in 2006. That was a massive setback to this country, and is tantamount to an economic crime. The failure of that bid round was due in main to a lack of appreciation of the inherent engineering and economic risk associated with deepwater drilling, and the adherence to something called a “taxable PSC” that scared away investors.

But the root of that failure is really to be found in PNM hubris which, in 2006, as you could recall, was at its apogee. The 2010 bid round that was recently closed for shallow and average water depths received seven bids; and, as I said before, we have recently opened the bid round for the deepwater. Confidence has returned to Trinidad and Tobago, and as the Prime Minister said on her trip to New York, Trinidad and Tobago is once again open for business. [*Desk thumping*]

The time has come to first arrest declining oil production and to stimulate oil production so that it will increase. We currently produce around 100,000 barrels of oil per day, and in a do-nothing scenario, there is a natural decline that kicks in of about 5 per cent per year. So if we did nothing, in 12 months' time, the country will be doing 95 barrels of oil per day; but our intention is, of course, not to do nothing.

Time has come to arrest the decline in oil production. The Minister of Finance mentioned in his budget speech a number of fiscal incentives aimed at the Supplementary Petroleum Tax. This was a tax that was introduced in 1980/1981, and the world was a different place back then; 1980/1981 was the time of the Iranian revolution, and as a consequence of the Shah being deposed, the price of oil went through the ceiling because Iran was, I think at the time, the second largest oil producer in the world. And the government of the day sought to cream off some more government take from oil revenues and they introduced the supplemental petroleum tax.

So, the Minister of Finance, in his budget speech, mentioned the supplemental petroleum tax, which we call the SPT, and some of the proposals around the SPT regime would include incentives being provided for marine acreages and mature fields and small fields. A mature marine field is one that has been producing for 25 years; and a small field is one that produces less than 1,500 barrels of oil equivalent per day. If a field falls into one of these categories, a 20 per cent discount on SPT is applicable. So we can see, for example, that the Teak, Samaan and Poui fields, commonly referred to as TSP, would qualify as a mature marine field, as they started production in the early 1970s; around the time both myself and the Attorney General were born.

Another incentive is a 20 per cent tax credit on qualifying capital for mature oilfields. With respect to enhanced oil recovery projects, utilizing either steam, carbon dioxide or water flood injection, a 20 per cent credit on qualifying capital expenditure would be allowed. In petroleum engineering jargon—that is a world I was once associated with—these techniques are called enhanced oil recovery, or EOR. Companies will only be eligible for one of these tax credits.

Appropriation Bill (Budget)
[SEN. RAMNARINE]

Wednesday, September 22, 2010

I will not dwell too much on these initiatives, as the Minister of Energy and Energy Affairs has already elaborated on these in her contribution to this debate. What I now come to is a very significant point and it has to do with the issue of natural gas pricing, which featured prominently in the other place and we have had some comments on it here in this debate.

As I said, when I contributed to this Senate in July, it is no secret that Trinidad and Tobago is considered now to be a gas-based economy, and the reason for that is that we produce seven times more gas than oil on an equivalency basis. That being said, some years ago when I was in another place, one of the things that we lobbied for was for the budget to also reveal not only the oil price that the budget was premised on, but the gas price.

With respect to the price used in this budget, the price used in this budget is \$2.75 per MMBTU; and for the benefit of those who are listening, MMBTU stands for millions of British thermal units.

7.45 p.m.

What are the facts around this gas price used in this budget? The \$2.75 is netback to the well head. What does that mean? It means taking the point of sale and subtracting transportation, insurance, and the tariffs within the LNG plant, for example, and going back to the well head. It is a very simple concept.

Mr. Presiding Officer, in the past the majority of our LNG went to the US. The main marker for natural gas in the US is called Henry Hub. This is actually a physical location, a place called Sabine Pass in Louisiana. In the last year, particularly in the last seven months, the market for Trinidad and Tobago's LNG has shifted increasingly to Europe and Asia. For the first seven months of this year, only 45 per cent of our LNG has been sold to the US market, while the remainder was sold mainly to Europe, Asia and South America, with the largest being Europe.

The main European marker for natural gas is called the National Balancing Point or the NBP; this is in the United Kingdom (UK). The PIRA group, a reputable international energy advisory agency, noted that for September 2010, Henry Hub was expected to be \$3.90. This morning when I checked the Internet, it was \$3.95 per MMBTU. At the same time, PIRA expects for the month of September 2010 that the National Balancing Point, which is the marker for the European market, would be \$5.62; so we are comparing \$3.90 to \$5.62; this is a difference of about \$1.70. The conclusion, therefore, is that we can no longer look only at the Henry Hub

price in the US to gain an appreciation for our netback gas price in Trinidad and Tobago. I would also add that the prices in Asia are even at a higher premium to the Henry Hub and the National Balancing Point.

We have received a lot of criticism in the other place and in this Senate for the \$2.75 gas price. People have been saying that it would not be realized, but my research indicates that last year when the budget was presented on September 07, 2009, by the former Minister of Finance, it was also based on a gas price of \$2.75 per MMBTU. At that time Henry Hub in the US was averaging \$2.93; but the Opposition comes 12 months later and criticizes us for using \$2.75, and they are saying that this would not be realized. I just wanted to point out that piece of data I uncovered; so that was the gas price.

I turn now to the oil price used in the budget, which is \$65 per barrel. Sen. Ali spoke about the different crudes we have in Trinidad and Tobago. Not all crude oil is the same. The quality of crude oil is a function of viscosity and a function of its sulphur content; but I do not want to go too technical at this time. I just want to cite what has been said in the international literature regarding oil pricing in the next 12 months.

In an August 2010 report, PIRA sees West Texas Intermediate Crude ranging from \$80 in October, 2010—I think the price was around \$77 this morning—to \$91 per barrel in September 2011. According to PIRA, and I quote directly from their August 2010 report:

“Oil demand is forecast to outpace supply increases in the next six months which should cause oil inventories to decline at a faster pace than they did last year.”

This simply means that the growth in oil demand that is expected would not be matched, at the same time, by an increase in supply, so supply will lag demand. Mr. Presiding Officer, as a prominent economist yourself, you would know that means you would have upward pressure on prices.

Another reputable agency, the US Energy Intelligence Agency, in its short-term outlook report dated September 08, 2010, saw oil averaging at \$77 per barrel for the rest of 2010 and averaging \$82 per barrel in 2011. I want to commend Sen. Ali on his research, because those were the same figures that he presented.

I turn now from prices and I want to focus a bit on local content, an issue I mentioned before was very near and dear to me, as I spent four years of my life researching local content in the energy sector of Trinidad and Tobago. The

Appropriation Bill (Budget)
[SEN. RAMNARINE]

Wednesday, September 22, 2010

Government of Trinidad and Tobago views the development of the energy services sector as critical in creating a diversified energy industry in Trinidad and Tobago. It is anticipated that with the proper and holistic development of local content and, by extension, the local energy services sector, that Trinidad and Tobago would become a major international energy services hub. This is the vision for Trinidad and Tobago. The Minister of Finance mentioned this in his presentation on September 08, that we would begin to export high end intellectual expertise in the form of energy services.

I want to place on record the very commendable efforts of the Energy Chamber of Trinidad and Tobago in promoting the export of energy services. This country already has energy service companies operating in places like Canada, the US and Brazil. The State petroleum based organization, the Energy Chamber of Trinidad and Tobago, and other stakeholders have been mandated to develop a framework for the creation of a sustainable energy services sector in this country under the leadership of the National Energy Corporation of Trinidad and Tobago. They were mandated to so do by the hon. Minister of Energy and Energy Affairs. The terms of reference for this policy framework are as follows:

1. Define energy services and local content as well as the relationship between local content and energy services;
2. Outline a plan for structured development of local companies along with the entire value chain of the energy sector. When we speak about the “value chain” we speak about from the upstream, to the midstream, to the downstream and possibly even beyond that in terms of shipping and so on to other countries and regasification;
3. Formulate and articulate measures to facilitate transfer of expertise and to allow for local participation in projects with clear policies, strategies and targets;
4. Illustrate linkages with other Government policies in the energy sector with regard to initiatives such as renewable energy projects, energy efficiency, the increased oil and gas exploration and production programme and diversification of the energy sector;
5. Determine linkages with tertiary institutions for training and R and D;
6. Provide recommendations for appropriate legislation required in implementation of the plan; and
7. Define the role of State agencies, industry representatives and business organizations in the implementation of this strategy.

This framework has been completed and is currently being reviewed by the permanent Local Content Committee of the Ministry of Energy and Energy Affairs. It should be noted that these are just the first steps in building a firm and sustainable framework for the sector.

In terms of the way forward, the Ministry of Energy and Energy Affairs proposes that in the fourth quarter of 2010 there would be a national consultation on energy and it would include local content.

I want to move now to the issue that Sen. Prof. Ramkissoon so eloquently dealt with, the question of renewable energy. I came from an upstream oil and gas background, petroleum engineering and upstream economics, so this is a new area for me, what Naipaul would call “an area of darkness”. First of all, I commend the Minister of Energy and Energy Affairs, the Minister of Finance, the Government of Trinidad and Tobago and persons like Sen. Prof. Ramkissoon, who has laboured for many years, without any sort of recognition, to keep pushing the issue of renewable energy in Trinidad and Tobago. There have been voices crying in the wilderness for a very long time and I want to place on record that the Government considers this to be central government policy, the issue of renewable energy in Trinidad and Tobago, because it is an idea whose time has not only come, but it is long overdue.

With respect to renewable energy, there were some concerns about the importation of solar water heaters and the Council for Trade and Economic Development (COTED). In the other place, the honourable Leader of the Opposition described this effort “dead in the water”; those were his exact words from his reply to the budget on September 14, 2010. That simply tells me that there has been a historic lack of political will to push this idea forward.

With respect to the issue of importation of solar water heaters, the thinking is generally that a point may arise where Barbados may not be able to supply the demand from Trinidad and Tobago. Barbados, as you know, is currently a producer of solar water heaters. Sen. Prof. Ramkissoon gave us some figures as to the extent that solar water heaters are used in that country. So the point may arise that Trinidad and Tobago's demand might not be met by Barbados; if that happens, we would then go to COTED and make representation for the common external tariff to be removed in respect of the importation of solar water heaters from outside the Caricom region.

Regarding the comment made by Sen. Prof. Ramkissoon that we would not be stimulating a local manufacturing industry to fabricate solar water heaters, one of the provisions and incentives provided is that the components used in their

Appropriation Bill (Budget)
[SEN. RAMNARINE]

Wednesday, September 22, 2010

manufacture would also be brought into Trinidad at duty-free rates and these would, of course, be made available to the local private sector. It is the intention that would stimulate a local manufacturing industry of solar water heaters in Trinidad and Tobago. I believe some years ago there was a company somewhere in South Trinidad that manufactured solar water heaters; I do not know what happened, but I understand they no longer function.

Trinidad and Tobago has long been dependent on oil and gas for its own internal energy consumption. We have missed the boat with respect to wind. Jamaica has a wind farm called the Wigton Wind Farm. I think there is more than one wind farm in Curacao and throughout the Caribbean. St. Kitts also has a wind farm.

With respect to solar, Sen. Moheni quoted a very lovely statistic, a fact from the UN Human Development Index, that Barbados ranks many times higher than Trinidad and Tobago and they have been very visionary in their use of solar water heating.

8.00 p.m.

So I want to put on the record too, that with respect to electricity generation—and I want to commend the Minister of Public Utilities for the excellent work that he has been doing at the Ministry of Public Utilities.

Globally, with the exception of hydroelectricity, wind energy is recommended as the preferred technology for supplying a national power grid. That is best suited for local bulk production as wind energy and is not only a viable long-term source of supply, but is also the most cost-competitive with local electricity generation, which uses simple—and in Trinidad we use simple—and combined cycle natural gas technology to generate electricity and we use some diesel. I think Tobago still uses some diesel at the Cove Power Plant which will soon switch to natural gas.

With respect to solar, small scale photovoltaic applications are possible for powering limited loads at off grid locations such as rural communities. And speaking about rural communities, I grew up in a rural community; Sen. Elton Prescott SC is from Toco, so we have similar concerns about rural development in Trinidad and Tobago, and I see solar energy as being something that could assist in rural development in this country. So, again, there is an advantage to that.

Finally, on the issue of waste to electricity; waste to energy, those of you who have been to Miami—and I am sure many of you have been to Miami—would have seen that, you know, there are these landfill sites that look like small hills

and when you look at them closely you see pipelines and what those pipelines are doing, of course, are bringing methane; they are extracting the methane from the waste that is breaking down. So waste to energy is another option for generating electricity which the Government will consider in diversifying the local energy mix. So I have dealt a bit with renewable energy, wind and solar and I have said that the Government is committed to this direction for our country.

In listening to the debate in the other place and in listening to some of the comments made by the Opposition in this debate, one gets the distinct impression that the PNM claims paternity for the energy sector. I refer specifically to comments made by the Member for Point Fortin in the other place. This is simply not true and I think Sen. Ali would support me on that.

[MADAM VICE-PRESIDENT *in the Chair*]

Trinidad and Tobago's energy sector did not start in 1956 with the PNM. The PNM was formed in 1956 and the first attempt to drill for oil in this country was in 1857 by the Merrimac Company. Nine years later in 1866, the first oil well was drilled in what is now Aripero and Sen. Ratiram is from that area. I am not aware that the PNM was around in 1866 when Walter Darwent drilled the first oil well in Aripero.

We move on to the late 19th Century and the early 20th Century and we see two Trinidadians, Edwin Lee Lum, a Trinidadian of Chinese ancestry; he migrated here from Guangdong province in China, and another gentleman named Randolph Rust. They were pioneers of the oil industry as far back as 1902/1903. I am not aware that the PNM was around in 1902 and 1903. In fact, Dr. Williams was not born until 1911.

In 1908 we, as a country, recorded our first commercial oil production from a well drilled in Guapo No. 3 by an Englishman named Arthur Beeby Thompson and he drilled that well under the supervision of a gentleman who was the Inspector of Mines. His name was John Cadman, who went on to become the third chairman of a company called Anglo-Persian Oil. Anglo-Persian Oil today is a company called BP. The PNM was not around in 1908.

I turn to a very useful publication called *Energy Caribbean* and Members of the PNM, I advise them to get a copy of *Energy Caribbean* and they would see where, for example, the first small refinery in this country was built in 1911 at Brighton. And the list goes on and on. In 1955, a year before the PNM was formed, we had our first production from an offshore field and that was from the Soldado Field in the Gulf of Paria.

Appropriation Bill (Budget)
[SEN. RAMNARINE]

Wednesday, September 22, 2010

So the point I want to make to this honourable House is that Trinidad and Tobago has had a history that predates the People's National Movement. Trinidad and Tobago did not suddenly appear or magically drop from the sky in January 1956 when the People's National Movement was formed. And it is important to make that point tonight at 8.05 p.m. because the national community is looking at the television right now. We had some young people here today in the gallery and it is important that they understand the history of this country.

I started this contribution with the history of this country and I corrected something that Sen. Hinds said with respect to the contribution to the independence of this country and I want to wind up this contribution by dealing with the history of this country, because I have been a Member of the Senate now for four months and I have gotten the distinct impression that the PNM believes that this country fell from the sky in the year 1956. One only has to look at the contribution of Sen. Hinds yesterday to see that that is his interpretation of history. So we have a history in the energy sector that predates the PNM. The PNM and their agents would have us believe that, of course, the country started with them.

I also want to put on record that the LNG business in this country is also something they cannot totally take credit for. The first shipment of LNG was in April 1999. Who was in office in April 1999? Not the PNM. And Train 1 and the plans for Trains 2 and 3 and so on, all happened under the UNC administration of 1995—2001.

The hon. Minister of Finance has also gone on record as saying that the last decade was an example of the “curse of oil” and he was criticized for that statement by the Leader of the Opposition. We have had two resource-driven booms in this country and Sen. Mary King has written widely on these resource booms. Coming out of the first boom of 1973—1982, there was a lot of literature and a lot was written. All the prescriptions for avoiding or guarding against what is called Dutch disease are well documented and published. Sen. Prof. Patrick Watson would be aware of the persons who have pioneered this research, people like, W. Max Corden and J. Peter Neary.

So they simply had to refer to the literature. But they were not so inclined. And if you did not want to go that far, as far back to Corden and Neary, they could have gone to the University of the West Indies and they could have consulted with Dr. Roger Hosein; they could have consulted with our own distinguished Sen. Prof. Patrick Watson. But they refused to look at what was written because they have all the answers, and I think Sen. Abdulah alluded to

that yesterday. Humility starts with the acknowledgement that you do not know everything. Socrates said: “All I know is that I know nothing.” That is the beginning of knowledge; the acknowledgment that you know nothing and that you are willing to learn and hear new ideas.

They ran the energy sector from 2002—2010 much the same way that they did from 1973—1982. Not much was done differently.

Madam Vice-President: Hon. Senators, the speaking time of the hon. Senator has expired.

Motion made, That the hon. Senator's speaking time be extended by 15 minutes [*Hon. S. Panday*]

Question put and agreed to.

Sen. K. Ramnarine: Thank you very much, Madam Vice-President and hon. Members, for giving me a bit more time. So as I said, they ran the energy sector from 2002. They came into office on December 24, 2001. Remember that day? A date that shall live in infamy, December 24, 2001, and they exited office May 24, 2010. Maybe there is some significance there with the number 24. They ran the sector almost the same way, or exactly the same way as they did from 1973—1982. In fact, some of the players that were involved in 1973—1982 came back again from 2002—2010. So what we had was a repeat and a replay of the same old ossified and petrified ideas of the first oil boom: tax and spend; run the thing down.

And when we look at some of the data—and I do not want to go through the data because the Minister presented her data yesterday—for exploration wells, it is frightening that we have gone to a point where we have almost zero exploration taking place in Trinidad and Tobago and there is a direct correlation with exploration activity and economic activity in the south of Trinidad and Tobago. When there is no exploration, the south of this island suffers, because the service companies have very little work to do and when the service companies have very little work, they have very little room for employment and they begin to send people home.

So, Madam Vice-President, the energy sector in 2010 is in very good hands with the People's Partnership. We do not claim to know everything like the previous government. We are willing to listen, to collaborate and to gather as wide a cross section as possible, of ideas from not only the people of Trinidad and Tobago living in Trinidad and Tobago, but from our diaspora. [*Desk thumping*]

Appropriation Bill (Budget)
[SEN. RAMNARINE]

Wednesday, September 22, 2010

Under our leadership there will be no more GTLs—gas to liquids plants; there will be no more projects like the last gas to liquids project; there will be no more failed bid rounds like the one that we had in December 2006 that put us behind the eight ball. Under our leadership of the energy sector there will be CNG and renewable energy, including wind and solar, because we have the political will to ensure that we deliver this for the people of Trinidad and Tobago in the next five years. Under our leadership there will be consultation instead of cabalism; there will be collaboration instead of corruption.

I end by saying that the People's Partnership has been fortunate to have in its Cabinet a number of outstanding Ministers and we are fortunate in this Senate to have some of them here with us tonight. I want to recognize the contributions of my colleagues over the last three days and I want to put on record my thanks to the hon. Prime Minister for the opportunity she has given me to serve in the Government of the Republic of Trinidad and Tobago.

I thank you very much. [*Desk thumping*]

Madam Vice-President: Hon. Senators, we shall not be taking the usual break for dinner. We have one more speaker and so we will have our speaker and then we will close off for the evening.

The Minister of Public Administration (Sen. The Hon. Rudrawatee Nan Ramgoolam): Madam Vice-President, I rise to join this debate on the second reading of a Bill to provide for the service of Trinidad and Tobago for the financial year ending 30th day of September 2011.

Madam Vice-President, first, I take this opportunity to congratulate you on your assumption to the Chair in the absence of our esteemed President of the Senate. [*Desk thumping*] I also take this opportunity to thank the hon. Kamla Persad-Bissessar, the Prime Minister of the Republic of Trinidad and Tobago, for appointing me as Minister of Public Administration in this new People's Partnership Government. [*Desk thumping*] Madam Vice-President, I repeat, the People's Partnership Government.

8.15 p.m.

For the benefit of those who tend to forget, it is a partnership of five parties or entities, namely, the COP—I guess by now we all understand what these acronyms mean—the TOP, the UNC, MSJ and NJAC. Say it once, and you hear it; say it twice and you hear it and listen to it; say it thrice, you hear it, you listen to it and you

believe in it; say it four times, you hear it, you listen to it, you believe in it and you engrave it in your brain. I am hoping that after this moment we will speak only of the People's Partnership.

Many thanks and congratulations also go out to the hon. Winston Dookeran, our esteemed Minister of Finance, who, in a very short time has been able to present a well-studied, well-researched budget, the overarching theme of which is: Facing the Issues: Turning the Economy Around. This unique budget can be described in one sentence as a people's budget that is focused on cranking up the engine for economic growth and development from below; in other words, economic development from the people.

The budget of the hon. Minister of Finance is also founded on the seven interconnected pillars for sustainable development as stated in our manifesto. These are:

- a budget focused on people-centred development;
- a budget focused on poverty eradication and social justice;
- a budget focused on national and personal security;
- a budget focused on information and communications technology;
- a budget focused on a more diversified knowledge-intensive economy;
- a budget focused on good governance; and finally;
- a budget focused on effective foreign policies.

In addition, the hon. Minister of Finance has defined the growth strategy underlying this budget for the development of the economy to include:

1. improving infrastructure;
2. opening up new economic space;
3. implementing a growth and investment strategy;
4. effectively managing industrial estates;
5. expanding and improving free trade zones;
6. developing the economic space.

For these strategies to be effective, the State must develop the institutional capacity to do the following:

Appropriation Bill (Budget)
[SEN. THE HON. R. NAN RAMGOOLAM]

Wednesday, September 22, 2010

- identify and promote national development priorities;
- improve and build the capacity to regulate a modern sophisticated technologically-driven economy;
- develop high quality, efficient mechanisms for the delivery of goods and services for the national population and, indeed, to all its clients; and
- streamline and encourage the investment climate to facilitate easy access to persons wishing to do business in our beloved country of Trinidad and Tobago.

Implementing these strategies necessitates fundamental changes to the public service whose business it is to implement Government's policy initiatives. The public service is the executing arm of the Government and, therefore, it is the machinery that moves the Government towards achieving its respective goals and objectives.

It therefore necessitates the transformation of the modes in which the public service functions. It requires developing and nurturing new attitudes and appropriate behaviours among our employees so that we can provide the goods and services to the people of Trinidad and Tobago.

You notice I focused firstly on nurturing new attitudes and appropriate behaviours. Way back in 1964, the O'Neil Lewis Report noted that a major shortfall of the public service is the attitudes of officers who serve the public. That was 1964. This year is 2010.

Today, after so many years, we are still talking about changing the attitudes of the people who serve the public and it is not all the people who serve the public. I place on record here that in every organization, in every institution, the normal Gaussian curve applies. We have the exceptionally good ones, excellent; the very good ones; the good ones, those that are satisfactory, and we have some on the other side that we need to bring up.

It was said somewhere in this House, sometime ago or in the public, that we just have a few worthless gangs who terrorize the whole country and, therefore, we can have a few people in an organization giving it a bad name. Overall, I want to place on record that we do have the majority of our public officers as excellent workers and take this opportunity to commend them for all the good work they have done so far.

I also underscore the importance of changing the attitudes and behaviours of the few. It requires a total mindset on how we treat with people and this will be a

major emphasis for the Ministry of Public Administration. I say this because of the plethora of issues surfacing in my Ministry and other Ministries.

For example, I recall recently—I am compiling them; the file is very thick—one of the latest is that a parent called to glean some information on an application for scholarship. The letter I got stated that the officer was not speaking to you; the officer would only speak to the Minister; but the names were written, so I called the head and spoke to her. I said: Is this a story or is it for real? She said: Minister, it is possible. I said: Well, if it is, we may have to begin to address our approach in the way we treat with the public. That is a major issue for us in public administration to address. That is only one example, but that tells a story and we would like to see positive stories.

It is this mission of transformation that will determine the new focus of the Ministry, which I have the honour to lead, and it is this very mission of transformation of these attitudes and behaviours that will guide my Ministry in its way forward. We are focusing on the affective domain while we deliver the content and the cognitive.

Having said that, my contribution will focus on a few of the many areas under my portfolio, since all cannot be discussed in one sitting. These include, as I indicated:

- the transformation of the public service through the existing—and I want to underscore that word because I will come back to it later—modern human resource management practices, which include human resource planning and staffing in the public service, a major challenge for us;
- emphasis on an effective performance management system—and I will sound like a stuck record because these terms have been in the public service domain in a real way since 1992;
- continuous training and development of employees in the public service;
- competitive compensation;
- maintaining industrial peace; and
- addressing issues pertaining to public officers' safety, health and welfare.

I said “the existing modern human resource management practices”. I am saying that we are going to resurrect what has been there because contemporary human resource management practices were introduced in the public service in a real way since 1992; but as we go along we would see that this tool was laid to rest for a while.

Appropriation Bill (Budget)
[SEN. THE HON. R. NAN RAMGOOLAM]

Wednesday, September 22, 2010

Additionally, I also intend to update this Senate on aspects of the work of my Ministry and it is important that the Parliament and the public know the role of the Ministry of Public Administration. At this juncture, however, Members would appreciate that insofar as the achievement of the Ministry of Public Administration over the last seven years under the previous administration is concerned, I take absolutely no credit for whatever successes there were. I can only report on those seven years.

To paraphrase the definition of public administration by one Frederick Mosher in his book, *Current Issues and Public Administration*, St. Martin's Press, New York, 1978, I quote:

"...Public administration comprises those activities involved in carrying out the policies and programmes of governments."

He further posited that public administration is also regarded as:

"including some responsibility and determining what the policies and programmes of government should be as well as in executing them."

I want to underscore that word "executing" because that is the responsibility of the public service, to implement/execute Government's programmes.

As a consequence of the foregoing, the Ministry, as already mentioned, is charged with the ultimate responsibility of ensuring that most, if not all government agencies function in such a manner to ensure the delivery of all goods and services in the most efficient, effective and productive manner possible.

Given the foregoing definition and consequences for public administration, the following are responsibilities assigned to my Ministry:

- My Ministry is responsible for information communications technology, which also includes telecommunications policy.
- Addressing property and real estate.
- Public service administration and management that includes public management consulting, human resource development, public service legislative framework, public service transformation, addressing issues of scholarship and advanced training, technical cooperation, retraining and retraining.
- With respect to the Personnel Department, it treats with industrial relations—and that is a critical issue for us because we need to maintain industrial peace if we are to function productively.

8.30 p.m.

- The Personnel Department treats with compensation management, benefits management, job evaluation and classification, performance management and issues relating to the daily-rated workers.
- With respect to statutory boards and other bodies, my Ministry is responsible and liaises with the Salaries Review Commission and the Telecommunications Authority of Trinidad and Tobago.
- Wholly-owned enterprises under the Ministry of Public Administration are the Government Human Resource Services Limited and the National Information Communications Technology Company Limited, known as iGovTT.

Given these overarching responsibilities, the core mandate of my Ministry, since its inception, has been public service transformation, the aims of which are geared towards improving the delivery of public services to meet the needs of citizens; building national human resource capability and capacity in critical areas; expanding the ICT sector to better serve the needs of citizens and business and ensure coherent policy solutions.

In order to carry out this mandate, my Ministry is currently organized around six core divisions. These divisions, along with their responsibilities, include the Public Service Transformation Division. This division is responsible for providing guidance and support for transformation initiatives in the public service of Trinidad and Tobago. The focus of this division is to create new solutions for the effective and efficient delivery of public goods and services to our citizens. It also engages in research on policy issues, change management and service alignment. The division is also responsible for monitoring and evaluating transformation strategies in all Ministries. These are the divisions' responsibilities. The extent to which we deliver, we are reviewing our status on that and we may need to recalibrate, in case we are recognizing misalignment.

There is the Public Management Consultant Division, which engages in offering advice and solutions on public management issues to the Cabinet, Ministries, departments and associated government agencies, to enhance the public service contribution to national development. A major service is the provision of consulting advice on organizational structure and design, based on the functions of all these entities.

Appropriation Bill (Budget)
[SEN. THE HON. R. NAN RAMGOOLAM]

Wednesday, September 22, 2010

A third division, the Public Service Academy, is responsible for providing human resource development training to line Ministries and departments, statutory bodies and other agencies. The training opportunities offered by the academy are expected to be aligned to the skills and competencies required for a transformed public service. The academy is also responsible for meeting the training needs of line Ministries and departments identified in their human resource training plans. Additionally, this entity is required to administer technical corporation opportunities offered by foreign governments and international agencies.

The fourth division, the Property and Real Estates Services Division, is responsible for the effective management of the Government's real estate portfolio, whether owned, leased or rented. Its mandate is to ensure the provision of suitably designed work places to meet the needs of contemporary public service organizations. Boy, do we have a challenge here; that we may talk about later.

Fifth, we have the Scholarships and Advanced Training Division. This division is responsible for administering scholarships and long-term technical assistance awards offered by, or through the Government of Trinidad and Tobago. Scholarships are offered on a competitive basis, through open calls for applications via public notice. I want to pause here and indicate that, for the year 2009/2010, over TT \$200 million was spent on scholarships. I would like to report to this august House that only this morning I opened the symposium for our returning scholars, 300 returning scholars. I mandated my Ministry this morning that every single national scholar must be placed within the next few weeks.

We have a history that our national scholars come in bright-eyed, bushy-tailed, raring to go, and land in Trinidad to find a stumbling block where they cannot be placed. We have a legal obligation to place them and we are going to insist that every single national scholar be placed within the next few weeks. We have started that this morning and I have asked for a continuous update, until the last scholar is placed. *[Interruption]* You will get your time. Cool it there.

The National Information and Communications Technology Centre is—*[Interruption]* somebody is eating out of my time—responsible for initiatives which provide government, private sector and civil society with access to ICT infrastructure, consistent with the national connectivity known as “fast-forward”.

It is also responsible for providing information technology support services and training and for formulating policies and standards, regarding the use of information technology in the public service. This division, like the others, will be reviewed to ensure greater value for money.

The Personnel Department of the Government also falls under my Ministry and is charged with the responsibility for determining and/or advising on pay and other terms and conditions of service for a wide spectrum of employees within the public sector. Consequently, the department plays a critical role towards the achievement of Government's objective. It also plays a major role in the hiring of contract officers, in terms of remuneration. This is an issue we will have to treat with later on. In this regard, the department's contribution lies primarily in the sphere of good governance. Pillar No. 6 of the seven interconnected pillars is sustainable development.

The Personnel Department known as the Office of the Chief Personnel Officer is scheduled to hold discussions with the Minister of Finance shortly, in order to facilitate the commencement of negotiations with public service associations and unions, for the period 2008—2010. The Minister of Finance has signalled that our goal is to conclude such negotiations by December 2010, and we hope to achieve that goal.

It is the intention of this Government, our Government, to continue to modernize the classification and compensation system in the public service. At this point, a diagnostic exercise is being undertaken to guide the review of the existing classification and compensation system in the civil service and the selection of an appropriate job evaluation system.

These things were bandied about and started since 1986, in the civil service; 1992 and thereabouts. But, of course, there were challenges and it was aborted; fits and starts and stops and starts and we are hoping that we will try to resurrect it. We have resurrected it again and we hope to conclude it this time. The views of the association representing officers in the civil service were sought in undertaking the diagnostic exercise and have been taken into consideration. This is a very important issue. Compensation is an HR tool that helps us to attract, motivate and retain employees in the public service, and we will have to use this tool to determine whether we want to be a leader in the market, a lagger in the market, or a matcher in the market. We may want to fall somewhere between the matcher and the leader, and hope not the lagger.

During the 2011 fiscal year, a new job evaluation exercise is also planned for officers in the prison service and a diagnostic study, similar to the one currently

Appropriation Bill (Budget)
[SEN. THE HON. R. NAN RAMGOOLAM]

Wednesday, September 22, 2010

underway in the public service, will be undertaken for those offices falling within the purview of the Salaries Review Commission.

This Government intends to vigorously pursue the creation of a high performing public service workforce. Towards this end, and in order to foster a safe and healthy environment in the public service, the Personnel Department is engaged in developing guidelines on occupational safety and health in the public service, given the provisions of the OSH Act. Safety and security is extremely critical in the life of a country, in the life of organizations, and in the life of individuals and we are going to pay special emphasis to this aspect of work life.

It must be noted here that in 2001, a revised Performance Management and Appraisal System was established in the public service, replacing the previous trait-based staff reporting system, which had been in use since the 1960s. Since an effective Performance Management Appraisal System is a fundamental pillar of the human resource management system of any organization, and since such a system is of critical importance in ensuring that the public service can respond appropriately to the needs of citizens of Trinidad and Tobago, a review of the system will be conducted in consultation with the Service Commissions Department and other relevant bodies. It is said: “What gets measured gets done.” I am not sure we are measuring to determine how we are doing. We need to get a pulse on how we in the public service are going.

Given its wide mandate, the operations of this Ministry, my Ministry, will be continuously under review. At present, we are reviewing our internal systems; our internal structures; and styles of operation, including leadership and management styles, so as to ensure that these are organized and executed in such a manner so as to enhance the delivery of high quality services by all Ministries and departments and in accordance with our seven interconnected pillars for sustainable development.

Madam Vice-President, I want to underscore the words, “leadership and management”. They are two critical aspects of organizational life. It is said that a fish rots from its head. It is the head that determines and helps to determine how an organization moves. Therefore, my Ministry will be placing serious emphasis on training senior staff on how to lead people; how to lead employees, and how to create the environment to motivate people, so that they can work.

8.45 p.m.

No longer must we be talking down to people. That was the time of slavery; master and slave. “Massa” day done! [*Desk thumping*] Madam Vice-President, nobody is going to talk down to us. We are going to ensure that our employees—bright eyed, bushy tailed raring to go—must be able to ask questions. We will be

focusing on, not so much on the what but the how of the what and, therefore, both leadership on one side and management and fellowship on the other. We must understand each other's role and really work towards the interest of the organization.

Given that there are some 64 Heads of Expenditure, including my own Ministry, listed in the Schedule of the Appropriation Bill before this Senate, each Head representing a distinct area of Government's contract with the people, you and all hon. Senators in this Senate can well understand the magnitude of the responsibility with which I am charged, especially when all my colleagues are looking for accommodation; when all my colleagues are looking for staff and then I have to deliver.

When I took office on May 28, 2010, after a resounding victory of the People's Partnership at the general election, and a good "cut tail" for the other side, under the leadership of our esteemed Prime Minister, the Hon. Persad-Bissessar, I engaged in a process of consultation with the staff at my Ministry and with most, if not all, permanent secretaries and heads of departments representing government agencies. I held round-table discussions with the Chief Personnel Officer, the Service Commission Department, the Public Service Commission, the Telecommunications Authority of Trinidad and Tobago and other agencies which report to Cabinet through the Minister of Public Administration. I also held discussions with members of the Public Service Association and representatives of NUGFW.

Madam Vice-President, maintaining industrial peace is critical to the smooth operation of any organization and, most importantly, the public service organizations like ours. This Government, in its obligation, will partner with labour in resolving issues. We will be moving towards a new thrust to human resource, industrial relations and the law, and we will be looking for harmony: HR, IR and the law. I think it is a new thrust to managing organizations.

This consultative approach was deliberately embarked upon to clearly signal a new direction for the Ministry of Public Administration in its approach to discharging its responsibilities. This consultative and interactive approach would be based on mutual respect and trust among all stakeholders, and we will continue it under my leadership as the Minister of Public Administration. [*Desk thumping*]

Let me say from the outset that I am sure that I will not be afforded the necessary speaking time, if I am to report on all the areas of public administration which lie within my remit. Instead, I will attempt to identify those areas which appear to be

Appropriation Bill (Budget)
[SEN. THE HON. R. NAN RAMGOOLAM]

Wednesday, September 22, 2010

systematically weak or systemically weak, and in urgent need of addressing if the Government is to implement its policies and programmes as expeditiously as possible and in line with our seven interconnected pillars for sustainable development.

Let me at this stage indicate to this honourable Senate that the work of transforming the public service did not begin now or recently. [*Desk thumping*] Previous administrations, since the colonial days of 1954, the Ritson Report, and even after as well as the post-independence era, attempted to effect public service transformation in varying degrees.

As late as 1992, a former Minister of Public Administration by the name of Mr. Gordon Draper, recognized and commenced the process of transformation in a systemic and systematic way. This approach to public service transformation witnessed the utilization of organizational development tools such as strategic planning, human resource management, and customer service to name a few, to advance the cause of the public service transformation.

Madam Vice-President, I should indicate here, the late Minister— God bless his soul—he was vice-chairman of a task force set up by a previous administration, the National Alliance for Reconstruction, where one Mr. Reginald Dumas was the chairman. This whole public service reform agenda, based on my research, was done by that public service reform task force—the administrative reform task force. It so happened, at the point where they had completed it, the PNM government took office in December 1992, and the late Mr. Draper, being the academic he was, sought the opportunity to implement that great work that was done by that previous committee. So we commend him for, at least, getting the opportunity to administer that programme.

However, subsequent to that, when the last administration assumed office again in 2002, its entire philosophy for public service transformation had changed. It fell apart. Their new approach to transformation was not to develop; not to train; not to retain an efficient professional well-resourced public service. The new policy of the last government was to utilize contract employment and special purpose state enterprises to systematically dismantle and marginalize the professional public service. [*Desk thumping*] Some of the effects of this cynical change of focus were:

- demotivation of public officers, who see their contracted counterparts enjoying better remuneration and conditions of employment;
- loss of institutional memory and knowledge through lack of succession planning and career path; and
- decreased career development opportunities within the public service.

While in and of itself, this mechanism of recruitment and selection of persons on contract may have some merit—we will always have contract employees. I want to record in this august Senate that there will always be room for contract workers, given the rate at which the technological world is developing and the new competencies and skills, we must have a window to bring in those skills that are scarce at any time. So, it does have merit, particularly in the professional, technical and scientific spheres.

The abuse by the previous administration emasculated the role of the professional public service in national development. Indeed, the percentage ratio of contract officers to permanent public officers in my own ministry is in the vicinity of 66 per cent to 34 per cent. That is only one ministry. I am still trying to collect, collate and analyze data based on the other ministries. This is a wholly unsatisfactory state of affairs. I think it was Saxon Hakoon in one of his books who said that an organization that does not have tacit knowledge is doomed to atrophy, death. We can now begin to understand why the public service has reached this stage.

Further, I wish to draw to the attention of this Senate that the introduction of human resource management divisions in all government ministries and departments began with the first one being established in the Ministry of Education during the years 1998/1999. I should place on record here, yours truly, happened to be the very first senior human resource officer to ever be appointed in the public service of Trinidad and Tobago. [*Desk thumping*] These divisions were expected to deliver high quality human resource management services at the ministries in which they were located. Today, these divisions, with a few exceptions, have not demonstrated the capacity to deliver quality service, and we ask the question: Why? [*Desk thumping*]

Some areas of activity requiring immediate attention are:

- (1) recruitment and selection processes for persons on contract;
- (2) performance appraisal and increment administration;
- (3) leave administration;
- (4) training and development;
- (5) delays in appointments and promotions;
- (6) engaging in effective disciplinary practices and procedures; and
- (7) restoring the public service as a professional institution worthy of being the premier employer of choice.

Appropriation Bill (Budget)
[SEN. THE HON. R. NAN RAMGOOLAM]

Wednesday, September 22, 2010

Madam Vice-President, there has been neither monitoring oversight nor review of the operations of these human resource management divisions, to ensure observance and compliance with all rules, regulations and guidelines set out by the Chief Personnel Officer. Even staffing, both levels and skills-mix, within these divisions appear to be inadequate.

I want Senators to listen to what I am going to say now. There are persons serving who are neither trained nor qualified in human resource management, while suitably qualified and trained persons are available to serve from even within the public sector. [*Desk thumping*]

We have instances in ministries, where posts of senior positions in HR are suppressed, and persons who are not qualified for the position are brought in and placed in those positions. They are running their own shows. [*Desk thumping*]

Madam Vice-President: Hon. Senators, the speaking time of the hon. Senator has expired.

Motion made, That the hon. Senator's speaking time be extended by 15 minutes. [*Sen. F. Hinds*]

Question put and agreed to.

Sen. The Hon. R. Ramgoolam: Madam Vice-President, thank you and all Senators. I wish to announce that as a result, Cabinet has already been approached to begin the process of reform of the staffing and operations of the human resources services divisions throughout the public service, with particular reference to procedures relating to employment of persons on contract.

9.00 p.m.

Madam Vice-President, it is not that we do not like our employees on contract. We see it as use, abuse and discard after every year or three years. We must put some system in place to ensure that these persons are well placed. Therefore, it is useful to note at this stage, that the development pillar No. 6 listed on page 8 of the manifesto, addresses the matter of good governance, and we on this side see a clear link between strengthening the existing institutions, enhancing democracy, and strengthening execution and delivery capabilities and capacities. It is for this reason, that the People's Partnership Government will have no part in dismantling our public service, neither will we seek to marginalize the Public Service Commission in the exercise of its constitutional functions.

I now turn to the issue of training and development which is the key to effective delivery of goods and services. Since 1962, the public service has had several in-service programmes. It has moved from the CTU to the Public Service Training Academy at Chaguaramas, and given its role and function, we are now looking towards and are currently studying the possibility of establishing an Institute for Public Administration, where all our public officers could be trained in a meaningful way and not the slipshod approach to training. We will apply appropriate training analysis to determine our skills-mix, and then we would be able to have a specialized school, where our public officers can be properly trained and where there will be ongoing training. The commitment of this Government to training and development as an instrument for sustainable development is in line with pillar No. 5, a more diversified, knowledge-intensive economy.

On Thursday last, our beloved Prime Minister, addressing a ceremony at the University of the West Indies advised that the St. Augustine Campus will be expanded to south Trinidad with programmes including technology and engineering and, therefore, in the same vein, we in the Ministry of Public Administration, wholeheartedly embrace the concept that training and development is a pre-requisite for national transformation. I am moving on because I realize that I do not have much time.

Madam Vice-President, there are some issues that treat with administering the real estate property portfolio. There are five issues we are addressing that I will place on the Table, where there are a lot of challenges: One Alexander Place—you may have heard about that in the Senate already—Broad Gate Place project, the Waterfront project, the Red House Restoration project, El Socorro Trade Zone lease/rental. These are serious challenges currently confronting my Ministry as a result of poor judgment, but the public will be hearing a lot on that in time to come. All these pages treat with details on those five issues. All of these. [*Pages were displayed*] It is a lot of evidence, but I hope at some other time we will be able to get everything in full course.

At the present time, Madam Vice-President, the Ministry of Public Administration is in the process of reviewing its role and function so as to ensure that it operates in a manner consistent with the imperatives of our stated developmental pillars. Once the review is completed, the Ministry will be re-organized accordingly to meet its intended mandate.

Appropriation Bill (Budget)
[SEN. THE HON. R. NAN RAMGOOLAM]

Wednesday, September 22, 2010

As I indicated earlier, let me now inform this honourable Senate, that there is much more work to engage my Ministry. We are currently taking an in-depth look at our operations, both internally, and in our relations with other ministries and departments. Further, we are engaged in an exercise which will witness the re-organization of the Ministry, to better address the needs of our clients and, in this regard, a holistic approach to public administration would be adopted.

Madam Vice-President, in concluding my contribution, I must place on record this Government's appreciation and gratitude to all the hardworking public officers who unstintingly perform and continue to perform yeoman service to this country. I now seek your leave to quote from the *Hansard* the words of our Prime Minister:

“This is where we see the difference between the PNM government and the present People's Partnership. Unlike the past administration, your Government took into consideration one vital element of leadership in the preparation of this fiscal package. We took into consideration the fact that in order to lead people we must first walk behind people. We must first find out where they are going; where they want to go before we can lead them. We took into consideration the fact that leadership should be borne out of the understanding of the needs of those who would be affected by it. That leadership is understanding people and involving people. It takes good characteristics like integrity, dedication, purpose, selflessness, knowledge, skill, as well as determination not to accept failure.

‘Effective leadership is putting first things first. Effective management is discipline carrying it out.’

We have always said that we will put people first. So, what the country requires at this time is not only leadership; but effective management as well.”

Good leadership was amply demonstrated when minutes after being sworn in, our Prime Minister, the hon. Kamla Persad-Bissessar, donned her boots, and leading her fellow Ministers, visited areas of our country which were severely inundated by torrential rains and floods. [*Desk thumping*] This type of leadership sets the tone and provides direction on how we in the public service must now chart a course for the effective administration of the public service. Our Prime Minister has set the tone for us.

Madam Vice-President, this is our commitment, our contract with the people of Trinidad and Tobago. The public service, will serve the people, serve the

Appropriation Bill (Budget)

Wednesday, September 22, 2010

people, serve the people. And in doing so, we will build on the work of those who went before to ensure sustainable growth, development, prosperity and happiness for all our people.

I thank you very much. [*Desk thumping*]

ADJOURNMENT

The Minister in the Ministry of National Security (Sen. The Hon. Subhas Panday): Madam Vice-President, I beg to move that the Senate do now adjourn to Thursday, September 23, 2010, at 1.30 p.m., when we shall continue this debate and bring it to its conclusion, even in the presence of millionaires.

Thank you.

Question put and agreed to.

Senate adjourned accordingly.

Adjourned at 9.09 p.m.