Revocation of Appointment

SENATE

Monday, October 15, 2012

The Senate met at 10.00 a.m.

PRAYERS

[Madam Vice-President in the Chair]

REVOCATION OF APPOINTMENT

Madam Vice-President: Hon. Senators, Sen. The Hon. Timothy Hamel-Smith, President of the Senate, is acting as President of the Republic. I have received the following correspondence from His Excellency the Acting President, Timothy Hamel-Smith.

“THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

By His Excellency Timothy Hamel-Smith,
Acting President and Commander-in-Chief
of the Republic of Trinidad and Tobago.

/s/ T. Hamel-Smith
Acting President

TO: SENATOR THE HONOURABLE TERANCE LEARIE BAYNES

WHEREAS by the provisions of paragraph (e) of subsection (2) of section 43 of the Constitution of the Republic of Trinidad and Tobago, the President, acting in accordance with the advice of the Prime Minister, is empowered to declare the seat of a Senator to be vacant:

NOW, THEREFORE, I, TIMOTHY HAMEL-SMITH, Acting President as aforesaid, acting in accordance with the advice of the Prime Minister, in exercise of the power vested in me by the said paragraph (e) of subsection (2) of section 43 of the Constitution of the Republic of Trinidad and Tobago, do hereby declare the seat of you, TERANCE LEARIE BAYNES, to be vacant, with immediate effect.

Given under my Hand and the Seal of the President of the Republic of Trinidad and Tobago at the Office of the President, St. Ann’s, this 26th day of September, 2012.”
SENATORS’ APPOINTMENT

THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

Appointment of a Senator

By His Excellency Timothy Hamel-Smith,
Acting President and Commander-in-Chief
of the Republic of Trinidad and Tobago.

/s/ T. Hamel-Smith
Acting President

TO: MRS CHRISTLYN MOORE

In exercise of the power vested in my by paragraph (a) of subsection (2) of section 40 of the Constitution of the Republic of Trinidad and Tobago, I TIMOTHY HAMEL-SMITH, Acting President as aforesaid, acting in accordance with the advice of the Prime Minister, do hereby appoint you, CHRISTLYN MOORE, a Senator, with immediate effect.

Given under my Hand and the Seal of the President of the Republic of Trinidad and Tobago at the Office of the President, St. Ann’s, this 26th day of September, 2012.”

THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

By His Excellency Timothy Hamel-Smith,
Acting President and Commander-in-Chief
of the Republic of Trinidad and Tobago.

/s/ T. Hamel-Smith
Acting President

TO: MS. SHERRY-ANNE ROLLOCKS-HACKETT

WHEREAS the President of the Senate has temporarily vacated his Office to act as President of the Republic of Trinidad and Tobago:

NOW, THEREFORE, I, TIMOTHY HAMEL-SMITH, Acting President as aforesaid, acting in accordance with the advice of the Prime Minister, in exercise of the power vested in me by section 44 of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you, SHERRY-ANNE ROLLOCKS-HACKETT, to be temporarily a member of the Senate, with effect from 15th October, 2012 and continuing during the period that the President of the Senate, Timothy Hamel-Smith, has temporarily vacated his Office to act as President of the Republic of Trinidad and Tobago.
Senators’ Appointment

Monday October 15, 2012

Given under my Hand and the Seal of the President of the Republic of Trinidad and Tobago at the Office of the President, St. Ann’s, this 12th day of October, 2012.”

OATH OF ALLEGIANCE

Senators Christlyn Moore and Sherry-Anne Rollocks-Hackett took and subscribed the Oath of Allegiance as required by law.

SEN. TERANCE BAYNES

(EXPRESSION OF GRATITUDE)

Madam Vice-President: Hon. Senators, I have just a brief comment from former Sen. Terance Baynes. Pastor Baynes would like to express his gratitude for the opportunity of serving as a Senator in this Parliament. He especially would like to thank all Members of the Senate and the staff for making his experience an enlightening and memorable one. He has extended God’s blessings in guiding the path of all Senators, and our families, as we conduct the business of the people.

CONDOLENCES

(SEN. MF RAHMAN)

Madam Vice-President: Hon. Senators, in addition, I would like to identify the passing of a former Senator, Mohammed Faisal Rahman, appointed to the Senate on December 17, 2007, and who has contributed in over 50 debates. He died on September 17, 2012.

Outside of the Parliament he was an enthusiastic public opinion contributor to the newspapers and also a co-author of a text, the Revised National Economics. He leaves to mourn, his wife Zanifa and daughter Miriam.

On a personal note, I served with him as an Opposition Senator from September 2008 until 2010. He was a simple yet passionate thinker who will surely be remembered for his unique “picong” and his unorthodox analogies. Our empathy to his loved ones at their time of sorrow. I now call on Senators wishing to pay tributes to Sen. Rahman.

The Minister of Tertiary Education and Skills Training (Sen. The Hon. Fazal Karim): Thank you very much, Madam Vice-President. Before I pay tribute to our former colleague who served in this honourable Senate, may I take this opportunity, on behalf of all of us on this side, to extend our hearty congratulations to our two Tobago Senators who have joined us. [Desk thumping] We always do things ahead of those on the other side. While they have one, we have many. So let me just congratulate Sen. The Hon. Christlyn Moore, our Minister of Justice, [Desk thumping] and also Sen. The Hon. Sherrie-Anne Rollocks-Hackett who has joined us. [Desk thumping]
Madam Vice-President, I rise to pay tribute to a former Senator, Al Haj Sen. Mohammed Faisal Rahman, popularly and affectionately referred to as MF Rahman. He was born on October 15, 1939 and departed this life on September 17, 2012. Just before December 17, 2007 at the age of 68, MF Rahman was appointed a UNC Senator by the then Leader of the Opposition, the hon. Basdeo Panday. He also worked alongside our current Prime Minister, Mrs. Kamla Persad-Bissessar, in her previous capacity as deputy political leader of the United National Congress and a member of the parliamentary arm of the party.

As this honourable Senate is aware, the word “Senator” originated in ancient Rome and shares a common root with the word “senex”, a Latin word meaning “old man”. But, Madam Vice-President and colleagues, Mr. MF Rahman was no ordinary old man. He demonstrated the prowess of a young lion. In fact, he was sometimes referred to as a one-man army, and he crusaded in the Senate and also as a prolific letter writer for the causes.

But what is it that drove this man, this son of the soil of Trinidad and Tobago? MF Rahman’s concern was for the condition of his fellow man, especially the poor and disadvantaged in our society and, by extension, the quality of such a society. He once declared that there is hardly a human problem that money will not solve. On this note, he championed vigorously for the financial empowerment of the poor in society. Whilst that concern sprang from his strong religious convictions, he maintained that such concerns also had a direct bearing on the long-term survival of any society. In his book, Revised National Economics, he maintained that if the masses are bereft of spending power, that such an economy will eventually stagnate and, in the fullness of time, collapse. MF Rahman wanted the poor to be monetized, not only for their own benefit, but for the benefit of the wider society.

Madam Vice-President, colleagues, he was therefore a freedom fighter, not only for the poor but for the benefit and sake of the entire society and, further, for the sake of the very continuance of such a society. He was also well known for his position in recommending to the Government to invest in gold bullion, all this from his concern with regard to hardships that might occur if economies collapsed.

Apart from national economics, some of his preferred topics were health care and national security for all nationals and residents. In MF Rahman’s vision, Madam Vice-President, no one was to be left out. He understood his political leader’s and party’s policy of inclusion for all, and he did so in the absolute sense.
As for his relationship with his political leader, in the spirit of true parliamentary democracy he always consulted with his political leader as to policy and position. Whilst he never violated any of these principles, his line or style of presentation was always of his independent opinion being brought to bear on the issue. For the records, when he left the Senate in April 2010, MF Rahman had already attained the age of 70.

Madam Vice-President, as for his style in the Senate, apart from his full life’s experience being brought to bear on all issues, he was even more so directed by religious and ethical conscience. He never wavered on that, and instead seemed to draw strength from such a conscience. In fact, his convictions served to make him fearless. One may well ask if he wavered on anything at all. He was always prepared to stand by what he said and, therefore, researched his topics and chose his words carefully.

10.15 a.m.

Whilst his preferred topic might have been economics and matters related thereto, he always made sure that he studied all his parliamentary documents. He therefore seemed prepared at all times. On his feet in this Senate his range of expression traversed Shakespeare, religion, judeo-Christianity and Islamic scriptures, as well as good literature in general.

He was described by certain Members and others as being hard-hitting, to the point, sharp and like a bullet. His tenure in the Senate was always on the Opposition Bench. At the time, the Government Benches never failed to pay attention when he spoke, however, nevertheless, the Government Benches were often relaxed by his sense of humor.

Madam Vice-President, colleagues, one got the impression that he was not partisan and that the national interest was his major concern, but it did not prevent him from poking a bit of fun to those on the other side. MF Rahman was also fortunate to enjoy the regard of parliamentarians from all sides, whether Opposition, Government or Independent Senators. Interestingly, in spite of a physical difficulty—a chronic coughing problem—he always made his points fully and completed the expression of his thoughts to the full satisfaction of his peers.

In closing, Madam Vice-President, it is worth mentioning that he made a contribution to every Bill that was tabled during his tenure. This amounted to over, as you indicated, 70 debates, in which you had the pleasure to work with him, including many of those that we too recently debated in this Senate. As for a
snippet from his personal life, he had eight children. Not only did he perform five daily prayers or Namaz, as we say, and fast in the holy month of Ramadan, but he performed the Hajj to the house of Almighty Allah in Mecca, Saudi Arabia.

To tell you a little about his fatherly direction and guidance, of his seven children who survived him, six have already performed the Hajj to Mecca since he had inspired them all to do so. The seventh and last child has already signalled his intention to perform the Hajj.

Following, MF Rahman’s death on Monday, September 17, 2012, one newspaper columnist wrote and I quote:

“Rahaman once wrote that it was ‘an honour and a privilege to have served in this Senate’.”

Not only did it seem that he was perfectly suited for the job but he played his role to the hilt and most of all he seemed to enjoy it.

Madam Vice-President, to sum up from the repeated declarations of the man in private life, one can only conclude that while MF Rahman’s concern for his fellow man drove him, and that in turn was driven by his strong religious conviction, all of that was done yet for a higher reason. It was done for the cause and the sake of Almighty God.

He often declared that all the good that he did was for the cause of God and he always quoted from the Holy Quran the following verse:

“Verily, my prayer, my sacrifice, my living and my dying are all for God, the Lord of the Worlds.”

May Almighty Allah accept our late brother’s life, Mohammed Faizal Rahman, and his death all as a service done solely for the sake of pleasing his Almighty God. As Muslims we say: Inna lillahi wa inna ilayhi raji un. Verily from Allah we came and to him is our eventual return. I thank you. [Desk thumping]

Sen. Terrance Deyalsingh: Thank you, Madam Vice-President. It may be appropriate if I begin by saying, assalaamu alaikum as we pay tribute to a dear departed soul, Mr. MF Rahman.

Very often societies are blessed with individuals who, even though they are political, tend to transcend politics and Mr. Rahman was one of those people. We all know of his letter writing. Coincidentally, I had some relatives at my home last night and my cousin’s wife was saying that she read and one of his writings just before he died and she now treasures that particular writing. So if my cousin’s wife is listening, I hope she understands the significance of the man.
Mr. Rahman was a Senator of the Ninth Parliament and, as you said, contributed to about 70 debates. If one looks at some of the Bills that he contributed to, example: the Anti-Terrorism Bill—but let us take out the Anti-Terrorism Bill. Look at some of the Bills he made valuable contributions to: the Caribbean Court of Justice (Headquarters) Bill, Children’s Authority Bill, the Family Court Bill and the Integrity in Public Life (Amrdt.) Bill. Those types of Bills give you an idea of the type of work he would have done in the Senate regarding family life, justice and integrity. I think those types of Bills describe the man aptly. He was a man of integrity as my colleague before me has just said. He was a family man. He was a man of deep conscience. He was a man of deep conviction, not only for his country but of his faith.

One of his last blogs was entitled, “Contravening the tenets of their faith”, in which he sought to put in perspective what was happening within the Muslim world, with the riotings that were taking place. In that last blog, if you would permit me, he said: “We must realize that God’s will always prevails and whoever reviles Islam hurts only himself.” Those were some of his last writings.

As my hon. colleague said before him, Mr. Rahman is now in a better place, a place where he could look down on his life’s work and feel contented. I am sure as my colleague said, Almighty Allah has welcomed him with open arms and may he be a jewel in the crown of the kingdom. Thank you, Madam Vice-President.

[Desk thumping]

**Sen. Subhas Ramkhelawan:** Thank you, Madam Vice-President. I rise to pay tribute also on behalf of the Independent Bench to MF Rahman. He was very well-known to me long before I first met him in the Senate in 2007, because he came from a genre of writers—prolific writers in the newspapers.

It is often the case, when we see the name of a particular writer in the newspaper, that we would turn the page. It was not so in the case of MF Rahman because he did contribute very worthwhile articles on topics that were relevant and of importance to the society at the time. So, I was familiar with MF Rahman long before he came here.

We joined the Senate at around the same time. We shared many ideas, one of which was he was a man who was very much focused on the issues. It was easy for him to cross the political divide. He was not the person who would be entrenched, let us say, in one political party or one point of view. If that point of view needed to be changed, based on the times and the circumstances, he would do so.
I very much enjoyed the discussions with him outside of the Senate more so than in the Senate because he was, as I said, very, very knowledgeable about a whole range of topics. Sen. Karim spoke about his focus and his discussions with regard to gold as part of the reserves of Trinidad and Tobago. We did have some very spirited conversations about that particular topic.

He was a man who was fearless in expressing his point of view. I think our Bench, the Independent Bench, respected that very much from the late MF Rahman, even though it was not always the case that we agreed with him. We agreed with his fearlessness, his focus and his dedication to the cause that he pursued in the Senate.

So, on behalf of the Independent Bench, I extend our condolence to his family and may he, MF Rahman, rest in peace. I thank you. [Desk thumping]

Madam Vice-President: We would now observe a moment of silence. Please stand.

The Senate stood.

Madam Vice-President: The Clerk is directed to send tributes to his family.

UNITED NATIONS INTERNATIONAL DAY OF THE GIRL CHILD
(RECOGNITION OF)

Madam Vice-President: Before we move on to the next item, as the Presiding Officer I would like to recognize the Parliament’s responsibility in giving supporting statements to the United Nations in its declaration of October 11, 2012, last week Thursday, as the International Day of the Girl Child.

This is recognized and observed for the very first time this year 2012. The theme for this occasion is “My Life My Right—End Child Marriage”.

Since 1994, hon. Senators, the United Nations recommended that countries adopt a minimum age for marriage as 18 years for both sexes, yet marriage laws in many developing countries, including Trinidad and Tobago, vary dramatically. Most recent UNICEF global statistics indicate about 23 million girls have been married before the age of 15. Further, almost 400 million women or some 40 per cent of all women in the world were married while they were children.

Here in Trinidad and Tobago the civil law has a child defined as a person under the age of 18 years old. Under the Muslim Marriage Act, girls 12 years old can be married without requiring their consent; under the Hindu Marriage Act, girls 14 years old can be married, again without their consent; while the Orisha
and the Civil Marriage Acts, provide girls to be 16 years of age to be legally married. According to CSO annual statistical report of 2009, from the years 1997 to 2007 there were 104 marriages of children under the age of 15, all of these girls married to older males.

The United Nations report advises that married girls are more vulnerable to acts of violence, abuse and exploitation mostly of a sexual nature. The UN declaration further advises that girl child marriages deny a girl her childhood, disrupt her education, jeopardize her health and pose life-threatening pregnancy related complications.

I make a personal and parliamentary appeal to citizens to participate and respond to the call of the United Nations as we collectively seek to protect the vulnerable children, especially girls, under our care. This is not a matter of religion, politics or power. It is a matter of dignity, respect and the protection of each and every one of our children under our watch.

**APPROPRIATION (FINANCIAL YEAR 2013) BILL, 2012**

Bill to provide for the service of Trinidad and Tobago for the financial year ending on the 30th day of September, 2013, brought from the House of Representatives [The Minister of Finance and the Economy]; read the first time.

*Motion made: That the next stage be taken later in the proceedings. [Hon. L. Howai]*

*Question put and agreed to.*

**10.30 a.m.**

**PAPERS LAID**


10. Social Sector Investment Programme – 2013. [Sen. The Hon. L. Howai]


12. Public Sector Investment Programme (Tobago) – 2013. [Sen. The Hon. L. Howai]


15. Second report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the Diego Martin Regional Corporation for the year ended September 30, 2000. [Sen. The Hon. L. Howai]


19. Report of the Auditor General of the Republic of Trinidad and Tobago on the consolidated financial statements of the Trinidad and Tobago Unit Trust Corporation for the year ended December 31, 2011. [Sen. The Hon. L. Howai]


23. Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the Point Fortin Civic Centre for the year ended September, 30, 1999. [Sen. The Hon. L. Howai]


26 Annual audited financial statements of the Trinidad and Tobago Solid Waste Management Company Limited for the financial year ended September 30, 2010. [Sen. The Hon. L. Howai]

27. Thirty-fourth annual report of the Ombudsman of the Republic of Trinidad and Tobago for the period January to December 2011. [The Minister of the Environment and Water Resources (Sen. The Hon. Ganga Singh)]


29. Annual administrative report of the San Fernando City Corporation for the fiscal year 2009 to 2010. [Sen. The Hon. G. Singh]

30. Annual administrative report of the San Fernando City Corporation for the fiscal year 2010 to 2011. [Sen. The Hon. G. Singh]

31. Administrative report of the Trinidad and Tobago Free Zones Company Limited (TTFZ) for the year ended December 31, 2010. [The Minister of Trade, Industry and Investment (Sen. The Hon. Vasant Bharath)]


**ORAL ANSWERS TO QUESTIONS**

(Deferral)

The Minister of the Environment and Water Resources (Sen. The Hon. Ganga Singh): Madam Vice-President, by agreement with the Leader of Opposition Business in the Senate and the coordinator of the Independent Bench, questions will be deferred until the conclusion of the proceedings on the Appropriation Bill.
The following questions stood on the Order Paper:

**International Tobago Pro Am Golf Tournament**
**(Tourism Development Company Limited to Financial Commitment)**

2. Could the hon. Minister of Finance and the Economy state, whether or not the Tourism Development Company Limited made a financial commitment to the International Tobago Pro Am Golf Tournament held from January 03 to 07, 2012?

   If the answer is in the affirmative, could the Minister state:
   a. the amount of the financial commitment; and
   b. the total financial contribution paid to the tournament.  
   
   [Sen. Dr. V. Wheeler]

**Police Complaints Authority**
**(Details of)**

2. With respect to the Police Complaints Authority, could the Minister of Justice state:

   (i) how many reports have been made against police officers for the period January 2009 to July 2012;
   (ii) how many matters have been resolved; and
   (iii) how many officers have been warned, disciplined, fired or terminated arising from reports made to the authority?  
   
   [Sen. P. Beckles]

**Multilateral Funding Organizations**
**(Funding of)**

3. Could the hon. Minister of Finance and the Economy inform the Senate whether:

   A. Negotiations are currently being undertaken or have been completed by the Government with any of the following multilateral funding organizations during the period June 2010 to August 2012:
      (i) World Bank;
      (ii) Inter-American Development Bank;
      (iii) European Investment Bank;
      (iv) Caribbean Development Bank?

   B. If the answers are in the affirmative, could the Minister state the quantum, purpose and status of the proposed loans?  
   
   [Sen. P. Beckles]
Oral Answers to Questions Monday October 15, 2012

Waterfront Project
(San Fernando)

7. Could the hon. Minister of Planning and Sustainable Development indicate:

(i) whether the Government has approved a waterfront project for San Fernando;

(ii) whether Cabinet has appointed a committee to develop a waterfront project for San Fernando; and

(iii) if the answer to (ii) is in the affirmative, the date the committee was appointed, the names of the members of the committee, the terms of reference of the committee and the remuneration package for the members of the committee? [Sen. P. Beckles]

Dr. Dwayne Gibbs and Mr. Jack Ewatski
(Details of)

14. With regard to the cessation of the contracts in respect of Dr. Dwayne Gibbs and Mr. Jack Ewatski, the former Commissioner of Police (COP) and Deputy Commissioner of Police (DCOP), could the hon. Minister of National Security indicate:

(a) the specific details of any and all payments and other costs incurred as at 7th August, 2012;

(b) when the matter of cessation was first raised and by whom;

(c) what were the reasons given by these former officers for the cessation of their contracts;

(d) whether oral or written requests were made for the alteration of the terms and conditions given that there was a fourteen month period before the expiration of these contracts;

(e) if the response to (d) is in the affirmative, what were the requested alterations to the terms and conditions in each case; and

(f) whether at the time of the cessation of the contracts the Government was in receipt of any evaluation on the performance of these officers, from the Police Service Commission to aid in properly assessing their positions and requests? [Sen. F. Hinds]

Questions, by leave, deferred.
The Minister of Finance and the Economy (Sen. The Hon. Larry Howai):

Thank you, Madam Vice-President. I beg to move:

That a Bill to provide for the service of Trinidad and Tobago for the financial year ending on the 30th day of September, 2013, be read a second time.

Madam Vice-President, this is a money Bill and it was approved in the other place on October 10, 2012. The Bill provides for the issue from the Consolidated Fund of the sum of $51,194,000,000 under various heads as indicated in the Schedule of the Bill.

Madam Vice-President, I thank you for the privilege of being here to add to the discussion on debate surrounding the 2012/2013 budget focus, on stimulating growth and generating prosperity for the citizens of Trinidad and Tobago.

Since May 2010, Government’s strategic focus has been based on its seven pillars for sustainable development:

1. People-centred development;
2. Poverty eradication and social justice;
3. National and personal security;
4. Information and communication technologies;
5. A more diversified knowledge intensive economy;
6. Good governance;
7. Foreign policy.

Our focus has been on transforming Trinidad and Tobago with sustainable job creation and wealth generation to achieve our national mission of prosperity for all. For this to be realized, we need the collaboration of the public and private sectors and the members of the wider national community.

Let me begin by highlighting the global economic context within which we discussed the budget. The sovereign debt crisis in the Eurozone remains the most obvious threat to the global economic outlook and, though the recovery is underway, it is a major setback to the pace and strength of the recovery. Many Governments are also attempting to address fiscal imbalances in an environment where uncertainty is high, confidence is low, financial sectors are weak and growth has been minimal.
It is anticipated that growth in world output will fall from 3.9 per cent in 2011 to 3.3 per cent in 2012, according to the most recent forecast published a few days ago by the International Monetary Fund. Growth is expected to be positive in the United States, the United Kingdom, Japan, the Middle East and North Africa. In Latin America and the Commonwealth of Independent States, growth is expected to slow to 3.7 per cent and 4.2 per cent in 2012, from 4.5 per cent and 4.2 per cent in 2011.

The Caribbean region achieved a moderate growth of 2.2 per cent in 2011, led by Guyana which achieved real GDP growth of 5.4 per cent, followed by Jamaica and Grenada whose economies grew marginally by 1.3 per cent and 1.1 per cent, respectively.

Madam Vice-President, Trinidad and Tobago has shown resilience during the eruption of the financial crisis and the subsequent fragile global economic recovery. Our low debt to GDP levels, strong foreign reserve position and well capitalized banking system validate this claim. These gave us some fiscal space within which to manoeuvre, without compromising the sustainability of Government’s financial position or the stability of the economy.

This Government’s plan, Madam Vice-President, is to return to a balanced budget over the medium term, by reducing the deficit by a minimum of 1 per cent of GDP per year over the next four years. This year’s budget is therefore focused on growth, stimulation, boosting competitiveness and refocusing Government expenditure.

The 2013 budget was crafted within the medium term fiscal framework 2013—15, with a projected annual real GDP growth of 2.5 per cent and an inflation rate of 5.6 per cent. It is predicated on conservative price assumptions of US $80 per barrel of oil and US $2.75 per MMcf of natural gas. Total revenue is forecast at $50.7 billion and total expenditure net of capital repayments and sinking fund contribution is forecast at $58.4 billion. For fiscal 2013, the budget deficit is projected to be $7.669 billion or 4.6 per cent of GDP.

Madam Vice-President, in the last fiscal year, based on an average oil price of $75 per barrel and an average natural gas price of 2.75 per MMcf, the Government had budgeted an overall fiscal deficit of $7.6 billion or 4.9 per cent of GDP for fiscal 2012. Planned revenue and grants of $46.9 billion and planned expenditure and net lending of $54.6 billion would have shaped this deficit. Additionally, a current account balance of $572.6 million was anticipated.
For fiscal 2012, central government’s fiscal operations are expected to result in an overall deficit of $6.6 billion or 4.3 per cent of GDP. Total revenue and grants is estimated at $47.6 billion and total expenditure and net lending at $54.3 billion. One the current account, a surplus of $1.5 billion is expected. This revision is based on factual oil and gas revenues for the period October 01, 2011 to August 31, 2012, and assumptions of oil and gas prices of US $90 per barrel and US 2.75 per MMcf for September 2012.

At the end of fiscal 2011, the net asset value of the Heritage and Stabilisation Fund stood at TT $26.3 billion or US $4.1 billion. Transfers to the fund for fiscal 2012 amounted to $1.33 billion, bringing the net asset value of the Heritage and Stabilisation Fund as at September 30, 2012 to approximately TT $30 billion or close to US $4.7 billion.

Central government’s total revenue including grants in fiscal 2012 is estimated at $47.67 billion or 31 per cent of GDP. This reflects an increase of $172.2 million over last year’s out-turn of $47.5 billion. Tax revenue accounting for 86.3 per cent of total revenue is anticipated to fall by 2 per cent to $41.1 billion. On the other hand, non-tax revenue is expected to register an increase of 24.6 per cent to $6.4 billion, contributing to the overall increase in total revenue of 0.4 per cent. Total expenditure inclusive of net lending is estimated to increase by 5.5 per cent to $54.3 billion, or 35.4 per cent of GDP for fiscal 2012. Of that amount, recurrent expenditure is anticipated to increase by 4.9 per cent to $46 billion, and capital expenditure is projected to increase by 9.4 per cent to $8.2 billion.

Madam Vice-President, we propose to strengthen revenue generation over the next three years through various reform measures. These include reviewing our current tax system, the reintroduction of land and building taxes and a more efficient targeted allocation of resources for fuel subsidies. However, these measures will be subject of dialogue with various stakeholders to ensure that society’s most vulnerable are least affected and to facilitate a cooperative participatory approach with relevant stakeholders and interest groups.

In respect of land and building taxes, given the several issues involved in the proper implementation of a system of land taxation for Trinidad and Tobago, Government continues to work towards eventual implementation while the waiver of taxes under the Property Tax, Act 2009 for the years 2011 to 2013 continues.

Madam Vice-President, we must create an enabling environment for investment and growth if our economy is to thrive. Government views itself as the enabler of growth and the private sector as one of the principal engines of growth.
Our responsibility, therefore, will include providing a sound macroeconomic legal and regulatory framework that is conducive to business development, and support of the private sector with improvements in infrastructure and accessibility to finance.

Part of creating this enabling environment is addressing some of the challenges in the local economy. We must, therefore, improve our delivery systems, so critical to doing business within the country, from the efficiency of our ports to the ease of facilitating tax payments and improving delivery of critical services by our public sector. This is a rationale of our ongoing work with the World Bank as we move towards improving our competitiveness both within the region and internationally.

Over the coming fiscal year, we will pay specific attention to our customs delivery system with the Ministry of Trade, Industry and Investment taking the lead role in the synchronizing of the single electronic window, facilitating payments from the private sector and the ASYCUDA World system which allows custom to control their core processes in a timely manner. We shall also continuously examine issues relating to our competitiveness and factors that affect our attractiveness as a place to do business.

10.45 a.m.

With respect to the petroleum sector, the amendments to the fiscal regime for new and existing fields are designed to enhance the competitiveness of this country’s fiscal system for the upstream petroleum sector, encourage investment from existing and new players in the industry, provide incentives that target desired activities, increase production of this country’s oil and gas resources and minimize the short-term net loss in revenues to Government. Overall, these measures are expected to result in increased revenues for the Government, to strengthen this country’s energy supply and promote sustained development of the sector and the country.

Madam Vice-President, none of our initiatives will be successful unless we address the crime situation and a lack of personal security that has been inherited by this administration. The resources put into this effort have been significant with $5.5 billion being allocated in the coming fiscal year up from $5.2 billion in fiscal 2012. Our approach has been different to past administrations in that we recognize that we need to be more strategic in our intervention and cannot simply throw money at the crime problem hoping that it fades away. It is because of this that we have identified a number of strategic interventions including our LIFESport and Hoop of Life Programmes, as well as several other initiatives to ensure that our expenditures in the Ministry of National Security on manpower and material are effective.
Madam Vice-President, Government’s goal is to build an economy that is capable of generating economic growth based on knowledge generation and innovation, increased productivity levels and export expansion in order to create wider opportunities for high-paying jobs at all levels. As part of our broader strategy for economic transformation, Government has been exploring new physical, financial and investment spaces within which the private sector and state enterprise can operate.

The Public Sector Investment Programme is one of the tools that we will continue to utilize to enable us to translate our vision into distinct, identifiable investment projects necessary to fill our infrastructure gap on the road towards sustainable development. In that sense, it is a rolling investment plan that will be reviewed continuously to ensure that expenditure of our resources are aligned with our long-term goals. In the next fiscal year, $7.5 billion will be allocated to the PSIP for various projects throughout Trinidad and Tobago.

In addition to the PSIP, the thrust towards public/private partnerships has been able to redefine the way in which public services are delivered and managed, and strengthen the role of the private sector in local development. Public services need to be provided in a manner which is affordable, efficient and effective, and delivery needs to be innovative and flexible. To address this need, the Government is shifting from services exclusively funded and provided from public funds to the provision of services in close partnership with the private sector, leveraging in the process the knowledge, expertise and financial resources of private organizations and rewarding them by mechanisms that are based on performance and outcome measures.

Madam Vice-President, approximately 10 projects in several Ministries, including the Ministries of National Security, Transport, Public Utilities, Local Government and Education, are currently being assessed by the Ministry of Finance and the Economy to commence partnership with the private sector over the coming fiscal year.

The programme of public offerings is also part of the public sector transformation efforts aimed at reconfiguring the ways in which the Government improves the efficiency, quality and effectiveness of the channels through which public goods and services are delivered to the citizens of Trinidad and Tobago. This programme also seeks to enhance the domestic capital market, increased investment in the domestic economy and boost transparency in the provision of public services.
Over the next fiscal year, Government will take the appropriate steps to make the IPOs for First Citizens Bank Limited and the Trinidad and Tobago Mortgage Bank a reality, subsequent to consultation with the line Ministries and boards of directors responsible for First Citizens Bank Limited as well as the Trinidad and Tobago Mortgage Bank, engagement of locally-based investment advisory firms in executing the first wave of the public offerings programme and adopting an allocation policy for promoting the widest possible participation locally in share ownership.

Finally, Government also intends to stimulate economic growth by creating a diversified and knowledge intensive economy. This is the fifth pillar of our overall strategic plan. No longer can we pay lip service to local diversification efforts and this Government intends to develop our country’s non-energy sector so that it can create high value jobs and generate wealth for our citizens.

As I indicated in the Lower House, we shall focus on seven priority sectors: financial services, tourism, downstream energy, agriculture, creative arts, information communication technology and maritime industry. Within this context, we have taken the initiative to provide incentives to the creative industries which include fashion, film and entertainment and animation. Our entertainment industry can emerge as a significant area of economic activity providing jobs and foreign exchange earnings. There is also great potential for creating wealth in areas such as music, dance, theatre, film and video production, writing and publishing, fashion, craft and local cuisine.

Madam Vice-President, the education sector has been identified as a champion for people-centred development and will be responsible for building the foundation for an intelligent and creative economy. The education system will be transformed to empower all citizens to meet the needs of the 21st Century development through curriculum reform, teacher training and technology. Although the provision of the Government Assistance for Tuition Expenses at institutions of higher learning will be continued, we must adopt a number of stringent measures to streamline the programme to prevent waste and abuse of Government funding.

In addition to the measures I mentioned in the Lower House, the level of monitoring, compliance and auditing of GATE will be improved, as well as the strategies to ensure that students fulfil their obligations in respect of the student agreement. The committee to enforce the student performance policy will ensure students maintain the minimum GPA and meet normal academic standards. Our investments in skills training will be directed towards implementing programmes that will increase participation widen access and improve quality and relevance to the labour market.
The decision to encourage the private sector to hire URP and CEPEP employees was taken with the view that companies will provide enhanced training and skill enhancement opportunities for individuals enrolled in these programmes. We see this as an intervention strategy for crime prevention and sustainable development for vulnerable persons. As mentioned in the Lower House, this transition will be facilitated by the National Productivity Council. We are confident that this council will promote and develop greater productivity, quality awareness and inculcate new values and attitudes regarding productivity in individuals enrolled in these programmes.

Madam Vice-President, Government has embarked on a plan to reduce the subsidy programme beginning with premium gasoline, the price of which we have fixed at 5.75 per litre. We have left the prices of super and diesel untouched and we have put in place an inter-ministerial committee comprising the Ministries of Finance and the Economy, Energy and Energy Affairs and Food Production to review measures to address and to reduce the current levels of the subsidy. Government’s plan is to generate greater use of compressed natural gas as an alternative transportation fuel.

Infrastructure and incentives are being put in place to encourage the transition by motorists and fleet owners to CNG usage. We are now pursuing a balanced transition between CNG usage and a reduction in the subsidy. Over the next five years, we shall roll out a business plan which would invest 1.5 billion in converting gasoline vehicles to CNG. We will construct multi-fuel stations and NGC will put in place a pipeline infrastructure. This measure will support the plan to reduce the fiscal deficit over time.

Madam Vice-President, Government’s social protection initiatives are aimed at the wellness of all its citizens as a primary objective, and, in particular, the development of an environment where basic and special needs are adequately met. It is our responsibility to address the social challenges of poverty, social inequality and social exclusion. Despite our extensive social protection programme, we have large geographic disparities with respect to poverty rates, as well as pockets of poverty which tend to have high levels of extreme poverty, in some cases twice the national average.

We place particular emphasis on developing and executing programmes and services that protect and assist vulnerable and marginalized groups in society, such as persons with disabilities, the poor and indigent, the socially displaced, ex-prisoners, deportees and persons living with HIV/AIDS. Currently, our social safety net programmes, public expenditure is estimated at 5 per cent of GDP.
As previously indicated, these programmes will be screened to ensure that social spending is made more efficient and sustainable. The main cash transfer programmes, namely the Targeted Conditional Cash Transfer Programme, the social assistance, public assistance grants, disability grants and the senior citizens’ pension will be consolidated to focus on protecting the most vulnerable. We expect that the consolidation of programmes will strengthen administrative systems and programme synergies, as well as develop a transparent and effective targeting mechanism to target households for all social safety net programmes.

Overall, the Government intends to reform its social safety net by establishing a comprehensive social security system targeting women, the elderly, children and the differently abled, as well as by assisting households to take hold of opportunities that create prosperity and reduce the number of people classified as poor.

Part of Government’s fight against poverty is ensuring that basic necessities are available at the lowest possible cost to households, which was the primary rationale for the proposed zero rating of all food items except luxury goods and alcoholic beverages. This measure will be the subject of a review by a Cabinet appointed inter-ministerial committee.

As Government moves forward with the upgrade of the pension system in Trinidad and Tobago, we must do so in a manner that is sustainable and guarantees equity for the recipients. Due to the prevailing fiscal realities vis-à-vis revenues and debt moving forward, it is imprudent to expect benefits to diverge from contributions as has occurred in the past. This has been the rationale behind the introduction of the universal harmonized pension system in Trinidad and Tobago. This was proposed to ensure that all citizens regardless of creed, class or socioeconomic status, will be able to provide themselves with a dignified standard of living in the later stages of life.

A critical issue for this demographic was the inequality between the minimum public sector pension and the national insurance pension. This issue was resolved with the increase in the minimum NIS pension during fiscal 2012. Our aim going forward is to further strengthen the NIB by increasing the quantum of grants and other benefits offered by the NIB which we believe are long overdue. This will commence with the increase in the maternal and minimum survivorship benefits in fiscal 2013 with the latter class of benefits also scheduled to increase in fiscal 2014. It is our view that the general structure of the NIB adequately links contributions to benefits to afford these increases in a sustainable manner.
Later in the coming year, we expect to commence a roll-out of the inclusion of the self-employed in the National Insurance System. This is perhaps the most significant change to the National Insurance System in the past decade. This would allow for coverage of a wide range of persons previously denied access to the benefits of the system and will target private consultants, taxi drivers, domestic workers and others. We will continue to push forward with our mandate to deliver a social protection system that is efficient, effective and fair to all in this nation.

Madam Vice-President, we recognize that we operate in a world where downside risk prevails, but we also recognize that opportunities abound. What is required is insightful leadership, prudent management and thoughtful communication with all stakeholders. We are committed to the adoption of an approach characterized by these attributes as we continue to build on the progress made thus far with our initiatives for growth, reform and competitiveness.

Madam Vice-President, I beg to move.

11.00 a.m.

ADHERENCE TO STANDING ORDERS

Madam Vice-President: Hon. Senators, before I propose the question for debate, in anticipation of a wide and very lively debate on this Bill 2012, I wish to remind you that the Standing Orders do provide the parameters within which this debate should take place.

I wish to draw particular attention to the following: Standing Order 35(1), which encourages Senators to remain as relevant as possible to the subject matter of the Bill; Standing Order 35(2) prohibits reference to matters that are pending judicial review and the outcome of which may, in any way influence the decisions or discussions in this Senate; Standing Order 35(5), to avoid ascribing improper intent or motive to any Senator, the Bill is under scrutiny not the Senator; Standing Order 35(8), which requires that the conduct of his Excellency the President, Members of the House and the Senate or a judge can only be discussed by way of a substantive Motion for that purpose and, are as such, remarks of any nature of this kind out of order; and Standing Order 43, which discourages tedious repetition either of your own or any other Senator’s contribution in this debate.

I ask for your conscious, deliberate and consistent adherence to these provisions which will ensure, I am sure, a smooth and productive flow of deliberations on this important piece of legislation. Senators should not engage, at the end, in any manner or conduct that threatens the dignity of this Senate, or is in any way inconsistent with the standards expected of all Senators.
Appropriation Bill, 2012

APPROPRIATION (FINANCIAL YEAR 2013) BILL, 2012

Question proposed.

Sen. Dr. Lester Henry: Thank you, Madam Vice-President for allowing me to contribute to this debate here today. Seeing that I am leading off on this side—[Interruption]

Sen. Singh: Signs of things to come. [Laughter]

Sen. Dr. L. Henry:—hopefully I would not transgress on any of your dire warnings about all of the Standing Orders that you listed.

Now, that said, I really do not have anything else complimentary to say this evening, or this morning. We are not quite in the evening yet. [Interruption] Well, that was the best it is going to get. Now, I wish to start by saying this is now the third budget presented by the People’s Partnership Government in this honourable Senate and the House below, and I must admit it keeps getting worse, because every time we think we are going to see some kind of fiscal responsibility or kind of restraint on the part of this Government, we get more of the same.

After two uninspiring years and two uninspiring budgets with very little or no results, the former Minister was removed, that is Mr. Dookeran, and in the same breath Members of the Government have been claiming that he did such a wonderful job. Now, if he did such a wonderful job, where is he? We have not seen or heard much of him except last week, I think a week ago he delivered a statement. I wonder if he is even in the country.


Sen. Dr. L. Henry: Is he in foreign or is he in the country?


Sen. Dr. L. Henry: Okay. So he is dealing with foreign affairs, okay. And most of what was mentioned in his last budget contribution a year ago was basically ignored, in terms of what this current Minister presented. Of course, the numbers are there in the total package, but it is a bit surprising and almost bewildering that the current Minister of Finance would make no reference to anything his predecessor really did or mentioned that would take place in his budget presentation.

Now, the former Minister used to come and make a lot of lofty pronouncements about blue skies—[Interruption]
Sen. George: What?

Sen. Dr. L. Henry:—yes, blue skies—when we warned him that it was more like pie in the sky because he seemed to think that he could just come and make these wonderful stories about growth and so on.


Sen. Dr. L. Henry: No, I have time to deal with the current Minister.

Sen. George: He has to remember the Standing Order about no repetitiveness.

Sen. Dr. L. Henry: I am first. Pie in the sky—and he used to talk about growth poles; the same thing that the current Minister mentioned in passing. Very quickly he talked about the growth poles. We warned him that these growth poles might turn out to be greasy poles because every year we keep hearing about them and nothing is actually happening on the ground. So, the fact that this Minister—in fact they used to thump their desks very loudly. They did it last Monday in the Lower House, where they thumped their desks at his pronouncements on the very topic that I plan to spend a lot of my time on here this morning, on the issue of economic growth. If I could quote—now, the strange thing about this desk thumping is that the Members thumped their desks even though when you read what the former Minister said it makes absolutely no sense. It is totally tautological or completely incomprehensible.


Sen. Dr. L. Henry: If I could quote the former Minister, the Minister of Finance indicated in the 2012 budget—and he is right—based on CSO figures—the expected growth rate of 1.7 per cent will, perhaps, be about 1.2. Now, when you project something, it is not always going to be accurate but it certainly has shown there has been a turnaround from negative growth to the beginning of positive growth that had started in 2012. [Desk thumping]

How could you admit that something is a projection and in the same sentence act as though it is already done?

Sen. Dr. Tewarie: Because you have three-quarters confirmed already.

Sen. Dr. L. Henry: Of negative growth.

Sen. Dr. Tewarie: Of positive growth.

Sen. Dr. L. Henry: All right, well you will get your chance.

Sen. Dr. Tewarie: You only report the fourth quarter. You are an economist, you know that.
Sen. Dr. L. Henry: Apparently you were not listening. He said for the year, okay. It is here. [Desk thumping]

Sen. George: Desk thumping.

Sen. Cudjoe: That is desk thumping. [Laughter]

Sen. Dr. L. Henry: This is simply a projection. [Crosstalk] In fact, in retrospect, I wonder if they actually used to listen to anything the Minister had to say. No, in seriousness I really wonder whether they used to listen to anything he had to say because they behave typically along the lines of the comedian, the MC Sprangalang, who would frequently exclaim: “I do not know what he is talking about but it sounding very good.” [Interruption] That is what it is, you just thump your desk and you do not even pay attention and realize that the man was not making any sense.

Sen. George: “Like yuh looking in de mirror, boy.”

Sen. Dr. L. Henry: Yes. Now, what do we have to emphasize my point? I am not forgetting the current Minister. Do not feel that—I am just two minutes on the past one.

What do we have from the new finance Minister? In his budget presentation it gets even better. All of you have the document. We all have it. Listen to the new Minister:

“The economy reached a turning point in 2012. Growth is expected to be in the vicinity of 1.2 per cent.”

That is the budget statement, your budget statement. The Minister is right there—[Interruption] on page 13 of his budget speech. By the time he reaches page 59, hubris sets in. He proudly proclaims:

“After three years of negative and negligible growth and against a worrisome global environment, we have stabilized the economy with a resumption of 1.2 per cent growth rate in 2012.”

So, earlier in the presentation it is a projection. By the time he gets excited it is a fact. What is it?


Sen. Dr. L. Henry: Yeah. No, no, no, that is the current Minister. So he either forgot that this was either a projected figure or it was a deliberate attempt to portray this as a fait accompli and, perhaps, mislead the population into thinking
that the Government has accomplished any serious level of economic growth, which has been one of the Achilles heels of the Government and it plagued them two years ago and it will continue to plague.

As one of my friends recently remarked that this is beyond hubris, this is actually frightening that you could have people willing to talk about these things. It is the same point that the former Minister used to make all the time; talk about generating growth and then act like if it actually happened and then when we see the number at the end of the year, a revision downward. Just like last year, you go back, look at your own economic review, the *Review of the Economy*, revised downwards, negative 2.6 per cent. So, do not beat your chest too quickly.

Now, I want to remind this Government, and by extension the country, what we mean when I say hubris. Hubris is when you start believing your own rhetoric, when you get so carried away with your sayings that you actually believe it. You say things that you know are not factually correct and you repeat it often enough and then you end up believing it and other people come and repeat it to you and you act as though it is some new fact that you have just discovered, when it all started with you.

Sen. Singh: “Dat is ah disease in Opposition, yuh know.”

Sen. Dr. L. Henry: No.

Sen. Singh: “Dat is ah disease in Opposition”

Sen. Dr. L. Henry: Well, you have it in Government my friend. And this is something that I would expand more when talking about stabilizing the economy and the kind of nonsense that is repeated as though it were fact.

Madam Vice-President, on to the substantive non-budget that was presented here. Let me, at the risk of you invoking Standing Order 35(1), get back to this, what was supposed to be a budget. The budget presentation, as was presented in the Lower House and the executive summary that we just heard here, as pointed out by the hon. Leader of the Opposition, is extremely flawed and in some ways kind of contemptuous of the population to bring such a presentation to the Lower House and then also to this Upper House, because there is a reason why we have a Parliament.

This is not a joke. This is to account to the country for spending the people’s money. And to come with a budget presentation which reflects nothing of how the previous 54 billion was spent to the general public, it is not for my personal satisfaction or for yours, we are dealing with the public business and when we stand here and we talk, it is to inform the public. It is not just to come and say: “Well, okay the money was spent and fine, well, whatever, we looking for more now.”
In fact, as a former CEO of a bank, I am sure you would never present such a thing to your board. I am certain what the end result would be, a one-way ticket, because what the population wants to hear is accountability, in terms of how this Government or any government spends its money. So you come to—in fact, I feel so strongly about this, there should be a law or something further to ensure that any finance Minister, not just this one, any one, do not present a budget and make this kind of error again.

11.15 a.m.

Sen. Dr. Tewarie: Would the hon. Member give way?

Sen. Dr. L. Henry: Not right now, I am in a flow. [Laughter and crosstalk] In addition to the lack of—[Interruption]

Hon. Senator: “Yuh going upstream.”


Sen. Dr. L. Henry:—accounting for last year’s spending, which I consider to be very tragic and serious—[Interruption]

Sen. Dr. Tewarie: I want you to know that a copy of the Review of the Economy—[Interruption]

Sen. Dr. L. Henry: Oh, I have it here. I am going to get to it.

Sen. Dr. Tewarie:—with the report and all the others for the recurrent estimates—[Interruption]

Sen. Dr. L. Henry: “Yeah,” when you get it, you will get warm. So, the lack of costing [Crosstalk and laughter] was another major problem in this budget presentation because you came up with a lot of initiatives, a lot of incentives, you removed VAT, you created incentives for the construction sector and so on. Maybe it might work, it might be a good idea—[Interruption]

Hon. Senator: “It working. It working.”

Sen. Dr. L. Henry:—but the point is you do not present any estimates of what these things will cost. Even in the petroleum sector, the incentives and so on that you put in place, what is to the potential loss of revenue that these things will entail?

Now, I suspect that the Minister might say: “Well, look, there is the hon. Minister of Energy and Energy Affairs who will come and deal with that—[Interruption]
Sen. Singh: Today! Today!

Sen. Dr. L. Henry:—and so on, but the point is, we are talking to the public in a budget presentation. You are the Minister of Finance. Do not pass the buck, you know. I mean, because—[Interruption]

Hon. Senator: He had been talking—[Interruption]

Sen. Dr. L. Henry: “Yeah”, of course, of course. And also, the costing of these items, because as many people have commented on—in terms of since the presentation of the budget that this could lead to an increase in our deficit way beyond the number projected in the budget of the 7-plus billion.

Also, there is a tinge of irresponsibility in terms of this amount of spending—the $58-plus billion—given the global economic outlook, and given the crisis—and I refer to it as a crisis—afflicting our energy sector. The outlook for our energy sector is bordering on dismal and the fact that we brought in expansive budgets in a time when we should be trying to consolidate. Nobody is saying that you necessarily had to go with austerity, which is the first thing the Minister promised in his public utterances.

Sen. Singh: He never said that in the content of it. That was from the editorials.

Sen. George: “Yuh pick up dat from the papers.” [Crosstalk]

Sen. Dr. L. Henry: He could defend himself. Let him speak. Just a few minutes ago, the Minister talked about the global economic growth, and I was saying, well, is he reading from the same report that I am seeing, because the Minister skillfully avoided the IMF’s deep concerns about economic growth globally. He mentioned about America growing and some other place growing and so on, but the headline accompanying that same story which was published on Bloomberg was:

“IMF sees ‘Alarming High’ Risk of Deeper Growth Slump”

That was the headline and it went on to say:

“The world economy will grow 3.3 percent this year, the slowest since the 2009 recession…”

And they are projecting:

“…3.6 percent next year, the IMF said today, compared with July predictions of 3.5 percent…”
Now, the 3.5 per cent was a downward revision that they did in July. So they have further downgraded their estimate for economic growth on the world scale for 2012.

“A key issue is whether the global economy is just hitting another bout of turbulence…” the IMF urged measures to boost confidence, uncertainties out of Europe show no sign of abating, with leaders still divided over a banking union and Spain resisting a bailout.

Confidence Fragile

“And the report goes on and on, painting an extremely gloomy picture of the world economy as the headline suggested:

“The 17-country euro area economy will contract 0.4 percent this year, 0.1 percentage point worse than forecast in July…”—just three months later.

Hon. Senator: “Trinidad and Tobago in ah worse”—[Inaudible]

Sen. Dr. L. Henry: And growth—well, you, take it easy. And it goes on and on. The US that was mentioned by the Minister just a few minutes ago:

“…is seen expanding 2.2 percent this year, higher than an earlier forecast, and growing 2.1 percent next year, less than previously predicted.”

When you get to the emerging economies, most of them have seen their growth forecast downgraded, and they go through Brazil, India, all of the major BRIC countries, the forecast for economic growth has gone south. So you get the point that there is serious concern about the global economic situation, and we cannot bury our heads in the sand and think that somehow we will be immune from that; we are not, we have not been and the events of 2008 into 2009 show that quite clearly; it is beyond a doubt.

The Caribbean economies are also going to be affected by this, as we have seen Grenada being downgraded by S&P just some time last week, because they defaulted on bond payments. So, we see that this is a serious matter and the picture of any kind of rosy global environment is absolutely incorrect, and from the report it is very highly likely that it is going to get worse and stay worse for a long time before it gets any better.

Now, I want to turn to the issue directly of the economic growth of this country and say that the picture even domestically is not very good; in fact, it is quite alarming. Now, how could the Government or the Minister talk about any
kind of serious positive growth when, based on their own \textit{Review of the Economy}, what the Minister of Planning and Sustainable Development just referred to? I read it quite well in full detail.

\textbf{Sen. Dr. Tewarie:} Good.

\textbf{Sen. Dr. L. Henry:} And if you are proud of it, then I wish you well.

\textbf{Sen. Dr. Tewarie:} It only reflects the facts.

\textbf{Sen. Dr. L. Henry:} So, from the same \textit{Review of the Economy}, a continuation of the decline in oil production in this country, down to somewhere between 83,000 and 85,000 barrels per day; lower natural gas due to maintenance and other issues. When we look at the figure from the same \textit{Review of the Economy} under Refining, including Atlantic LNG, this is expected to decline 4.2 per cent in 2012.

Madam Vice-President, if we go to “Petrochemicals”, we see lower production, due to gas supply shortage, this is all from their reports, down 4.7 per cent in 2011 and expected to decline a further 0.8 of 1 per cent. Now, I know someone on the other side will jump up and say, “Well, it is only going to decline by 0.8 of a per cent after declining by 4.7 per cent the year before, so that is something to celebrate.” They might go have a next fete down in Mid Centre Mall or a celebration in Woodford Square over this because that is the kind of crumbs that they throw out to the public as though they are doing something. Even a negative, they try to squeeze it out into some kind of positive.

Now, notwithstanding the above, we are told—despite all of this energy sector downturn, we are told that the energy sector will actually only decline by 1 per cent. But we go further. If you look at “Agriculture”—expected to contract by 4.9 per cent in 2012; that is your figure, okay. Unless you stand up and tell me you put the wrong thing in there, then you have to accept it.

Again, decline: “Manufacturing” expected to decline by 0.4 per cent in 2012, following a 1.1 per cent decline in 2011. Most manufacturing sectors are expected to record lower levels of economic activity in 2012. Of course, the impact of the TCL strike was instrumental in a lot of this, and it had an impact on iron and steel and a whole bunch of—and construction, which we are expecting a decline of 2.0 per cent in 2012 following an 8.8 per cent decline in 2011. This is all under your watch.

With every year bringing the biggest budget ever and benefiting from higher than expected energy prices, especially oil, that is how you can boast about contributing to the Heritage and Stabilisation Fund which I will get back to later on.
Now, one of the worst things in terms of the reflection of what is happening within our economy, as we go further, is the decline in tourism. I do not know if this has escaped many of the people on the Government side, but in your same Review of the Economy, “Airline Arrivals” down 4.8 per cent in 2012 which is not so bad, but still down. Cruise ship passengers, check this out, down by a whopping 40.7 per cent. From 2010—2011, the decline for Trinidad was 60.9 per cent—not 6—60 per cent. Tobago, it was down 27.8 per cent.

Yachting, if we go under yachting it is there, you could check it, if you all have it, arrivals also down by 21.1 per cent and earlier signals in 2012 continues to fall. So what this is saying that you have the distinct credit of chasing away people from Trinidad and Tobago. By any stretch of the imagination, this would be—[Interuption and crosstalk]

Hon. Senator: “Yuh should ah be in de Olympics, yuh would ah win ah gold medal for dat heat.” [Laughter]

Sen. Dr. L. Henry: “Yeah,” but this is under your watch.

Sen. Ramlogan SC: Under PNM they were coming in droves.”

Hon. Senator: “PNM lose de elections in May 2010, boy.”

Sen. Dr. L. Henry: I know you will still find a way to link that, but this is what you have to face and it is in your report. So by any stretch of the imagination, all of the people who talked about tourism as a viable option, as one of your growth poles and so on, how do you deal with this? Yes, get up and tell me how you plan to reverse this in a serious way, not just come and make like what you do every time we have one of these debates, come and say, “Well something is going to start next week, something is going to start the week after. That is the way you escape—sorry, Madam Vice-President, that is the way the Government Members speak when they get up. Something is always in train—[Interuption]

Sen. Ramlogan SC: “Doh go dey. Dat is rapid ra il yuh talking bout, once yuh saying train an ting.” [Laughter]

Sen. Dr. L. Henry: But, if you think I am done, Madam Vice-President, it gets even worse. Yes, that is not all; just when you thought it was safe. [Laughter]

11.30 a.m.

Listen, what we are witnessing in a very serious way under this Government is the collapse of our non-energy sector exports to Caricom. You know what that means? All our manufacturing sector which had the captive market and was such a success over the years—since the mid-’80s, under the guidance of the then hon. Prime Minister Chambers, when he put in place the incentives that they took advantage of.
Now, again, in your Review of the Economy, if you go to page 80, “Trade with Caricom Countries”, see if you missed it. If you look at October 2010 to June 2011, Madam Vice-President, exports $9.8 billion. This is our exports to Caricom. For the corresponding period, October 2011 to June 2012, exports 7.5 billion. I would not call out the full thing. You could check the full number because someone will come and say you missed a digit. So that is a precipitous decline of $2 billion in one year; in fact, not even a full year. I hope that someone on the Government side can tell me that this is a mistake.

**Sen. George:** If the Caribbean economies are in decline, where would they get money to buy from?

**Sen. Dr. L. Henry:** Look at this. They have been in decline for a while.

**Sen. George:** Exactly.

**Sen. Dr. L. Henry:** But you know what the surplus, excluding oil petroleum products, was last year? —Two point one billion.

**Sen. George:** You only saying that because you are on the other side.

**Sen. Dr. L. Henry:** The surplus was 2.1 billion.

**Sen. George:** What?

**Sen. Dr. L. Henry:** Two point one billion, our surplus with Caricom, excluding petroleum products.

**Sen. George:** Get real, man!

**Sen. Dr. L. Henry:** In 2010, 2 billion; in 2008, 3.6 billion. This is our dominance in the Caricom market. This is what we have.

**Hon. Senator:** And where are we now again?

**Sen. Dr. L. Henry:** They are talking about expanding elsewhere and you cannot even keep the market that you already have.

**Hon. Senator:** What is the deficit now?

**Sen. Dr. L. Henry:** Hear this. To make it even—

**Hon. Senator:** Surplus.

**Sen. Dr. L. Henry:** Yes, the surplus is down to 43.6 million from 2 billion. [Crosstalk] So if this trend were to continue—[ Interruption] [Laughter]

**Hon. Senator:** Economy word, “surplus”.
Sen. Dr. L. Henry: You notice, Madam Vice-President, none of them is sleeping; they are listening quite attentively.

Hon. Senator: You want us to ignore “yuh”?

Sen. Dr. L. Henry: You cannot. The surplus with Caricom, excluding petroleum, $43.6 million.

Hon. Senator: Surplus.

Sen. Dr. L. Henry: In other words—

Hon. Senator: Surplus.

Sen. Dr. L. Henry: I know. You dive at crumbs. I just said that. How could you destroy a surplus of $2 billion and bring it down to $43 million and try to make a positive out of that? This is a disaster for our non-oil sector, and I am not done yet.

Hon. Senator: [Inaudible]

Sen. Dr. L. Henry: The Review of the Economy? So after our Caricom market is being destroyed in terms of our non-energy exports, what we have, again, is basically the collapse of our overall exports.

If you look at same Review of the Economy, page 81, total visible trade, exports, if you go through the years: 2007, $83 billion; 2008, $1.6 billion; 2009, $58 billion. Of course, the world financial crisis took place and most of the economies collapsed and experienced negative growth, so that is not surprising, that drop. That is 2009. We know that. The year 2010, $71 billion; 2011, projected figure 95. Now, this is where it gets interesting: October 2010 to June 2011, $63 billion. That is our total exports, including everything.

Sen. Howai: That is a nine-month period, “eh”.

Sen. Dr. L. Henry: Right, I know. I can see it just like you. That is what I said, October to—but even over a nine-month period, you compare it with the same period in the year after. The same nine-month period, October 2011 to June 2012, total exports, $54 billion—significant decline, a $7 billion decline. So what is there to shout about? If you go to look at all the other subcategories: trade, excluding mineral fuels, $27 billion for the corresponding period October to June 2011; when we do the same thing for 2012, $22 billion, a $5 billion drop.

What I am saying is that the picture, given all that I have outlined for the past 10—15 minutes while I have been on this topic, the picture is not very good. So the manufacturing sector is expected to decline and all of these other industries. So, again, if this trend continues, perhaps by next year we may be running a trade deficit within the Caricom region, which is something almost unthinkable for this country.
We need not only to boost the figures but to understand why this has happened—why has our Caricom exports evaporated to such an extent? So how can you talk about growing the economy and expanding elsewhere, getting into emerging markets and going into Latin America and so on with this type of thing? You have a captured market—common external tariff, protection from external competition—and this is happening with that in place.

What I have outlined up to now encompasses our major productive sectors normally, yet the non-energy GDP is expected to be growing this year and the boost is going to come from things like electricity and water, finance and real estate; what we call, the “fire” economy—finance, insurance and real estate—even though insurance is not doing too well. These projects do not represent any real significant increases, these projects, in productivity or long-term growth.

These things are good. There is nothing wrong with expanding water and electricity, but you cannot depend on that to drive your economy forward over any significant period of time. They generate very little foreign exchange earnings. We do not export water or electricity and certainly we do very little export even in construction. There are very little foreign exchange earnings in those sectors and also they do not do much for productivity. In fact, productivity indicators for the year so far show productivity continuing to fall.

One of the areas in which the Minister pointed out that the Government is taking some credit or, at least, looking to as a green shoot, is the expansion of credit to the private sector, which has increased two years in a row in the sense that—but very often these green shoots—sounds familiar—turn out to be nothing but dry grass six months down the road under this Government. Even if you look at the expansion, the expansion was about over 6 per cent last year in private sector credit and still had negative economic growth. The expansion is lower. It is projected to be 5.5 per cent this year, so even that is down from last year even though it is still positive.

Of course, increases in the banking sector may not always indicate serious productive activity taking place because low interest rates may cause a rush to new loans because people may be seeking to refinance their older loans at lower rates. They might be consolidating and it may give the appearance that there is a further expansion of credit when what they are doing is really borrowing money to pay down on existing loans for the same real property, whether it is a house, your real estate or, in some cases, it might even be your car.
One of the areas to which the expansion of credit has gone is in the purchasing of new vehicles. I believe I heard one Minister saying that people are investing in cars. I do not know, other than being a taxi, how a car becomes a productive item. We have quite a bit of taxis on the road already. So, a lot of this may not necessarily signal significant increases in real economic activity and, of course, one of the issues the private sector has to face is that they must reinvigorate their inventories in terms of what has happened over the past three years since the downturn in 2009. A lot of them may have used up their inventories and they see this as a time to replenish them if they even want to stay in business. Therefore, we have to wait, just like most other things, and see.

Madam Vice-President, I now turn to the issue of unemployment. I think I sufficiently dealt with the issue of economic growth, or lack of it, on the part of this Government. Until you do something serious, you will be faced with this problem and you will be faced with me. Every time you bring a finance-related Bill or try to boast about your accomplishments, I will be right here because this side is fairly stable. Every year about six of you bite the dust.

The issue of unemployment is troubling for me, especially as an economist, and it is something that I have some particular interest in on any given day. The official figure being “brandied” about—and it was mentioned in the Minister’s presentation—is 4.9. [Laughter] Yes, yes, yes, I will explain.

Hon. Senator: I think it is “bandied”; not “brandied”.

Sen. Dr. L. Henry: You would prefer if I say “vodkaed about”? So the Minister of Finance and the Economy mentioned the 4.9 per cent and I heard other Ministers mention the 4.9, which is based on the CSO’s survey.

Of course, a lot of people have cast serious doubts about how realistic this particular number is. I will explain my point, as I usually do, because to make matters even more confusing, last night I visited the Central Bank website and they were claiming an unemployment rate of 4.2 per cent. Now, this is the Central Bank and you cannot say it is a PNM Central Bank anymore. It is saying 4.2. Google it on your phone and see.

Sen. Howai: Four point nine is the average of four quarters; not just the last quarter.

Sen. Dr. L. Henry: I thought it was three quarters.

Sen. Howai: No, no, no.
**Sen. Dr. L. Henry:** I thought you average.

**Sen. Howai:** [Inaudible] December of last year.

**Sen. Bharath:** Central Bank is better.

**Sen. Dr. L. Henry:** Central Bank is better because it is lower? So who does the survey, not the CSO?

**Sen. Dr. Tewarie:** “Nah man.” Central Bank gets all of their figures from the CSO.

**Sen. Dr. L. Henry:** So the fourth quarter is 4.2, so it is a nice, low number; but if you look at the Economic Bulletin of the same Central Bank, of July 2012, the rate of 5.2 per cent represented a decline was recorded in the previous year. That was the latest data available from the CSO and shows a fall in the unemployment rate for the third quarter of 2011. This is the rate falling from 5.8 per cent down to 5.2. This is what they are claiming is the latest. So maybe the CSO did not inform them that there was something later?

So the Minister of Planning and Sustainable Development himself admitted to this back in June, right here in this honourable Senate. You could go back to the Hansard. It is in the debate on the Finance (Appropriation) Bill—

**Sen. Dr. Tewarie:** What did I admit?

**Sen. Dr. L. Henry:** That these were the latest numbers.

11.45 a.m.

**Sen. Dr. Tewarie:** Well, it would have been at that time.

**Sen. Dr. L. Henry:** “Yeah, yeah, yeah!” You could move the goal post whenever you—[Crosstalk]

**Sen. Dr. Tewarie:** And there is the first quarter of 2012 now ready.

**Sen. Dr. L. Henry:** So, in the absence of official labour statistics beyond quarter three of 2011 which “dey claiming dat” this is, we have had retrenchment notices and this report was done fairly recently. [Crosstalk] No! A more recent information paints a somewhat mixed picture, Madam Vice-President, the number of retrenchment notices filed by the Ministry of Labour and Small and Micro Enterprise Development have gone down. In the first half it was 13.3 per cent lower than in the same period 2011. All right. No problem.
At the same time, they add the small caveat that there are some reports of restructuring in manufacturing companies, and chemical iron and steel industries for the first half of 2012. So this report is not written very long ago. The date is the date that the bank normally stamps on these things when it is due to come out; June/July 2012. But obviously, they had fairly recent information. So the unemployment statistic, Madam Vice-President, is somewhat confusing if not outright dubious.

The problem gets worse. I talked about the Central Bank website. If you go to the CSO website, the last major unemployment indicators posted on the home page are for 2009. You could Google it now on your iPad, or whatever you have, have your phone. Unemployment rate, fourth quarter 2009, 5.1. Unemployment rate, third quarter—[Interruption]

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

Motion made: That the hon. Senator’s speaking time be extended by 15 minutes. [Sen. T. Deyalsingh]

Question put and agreed to.

Sen. Dr. L. Henry: I thank you very much, Madam Vice-President. I wish to continue. I have a lot more. Those 15 minutes will save you some grief.

So the CSO website is in such a mess currently despite all of the promises of, not only this Minister of Planning and Sustainable Development, but the one he replaced, former Sen. Mary King who said: “We will fix this. We will clean this up in no time”, that you have under economic indicators the data runs from 1979-2002.

Now, we know that the CSO had problems before, so we will not lay it squarely at the foot of the current Minister of Planning and Sustainable Development. Okay! [Crosstalk] Yes, we must be real and so on, but I want to remind the hon. Minister that—[Crosstalk]

Sen. Dr. Tewarie: They fix it?

Sen. Dr. L. Henry: Yes! And in June, in this Senate, you promised to fix it as well. [Crosstalk]

Sen. Dr. Tewarie: The statistics speak—[Inaudible]

Sen. Dr. L. Henry: Yes! In fact, I have you here. You said that on June 05, and you promised that—[Interruption]
Sen. Dr. Tewarie: It is an ongoing exercise. “Why you so?”

Sen. Dr. L. Henry:—by September you would have the full analysis of the census. Right? I quote you! You said: “We have consultants here,” the same thing you just said.

Sen. Dr. Tewarie: But they keep going back and forth you know.

Sen. Dr. L. Henry: They have just done the preliminary report on the census which I will share with this honourable Senate. “They had promised me that by middle of September” right? Okay? [ Interruption]

Sen. Dr. Tewarie: [ Inaudible]

Sen. Dr. L. Henry: Well, I hope you fired the people who have made you that promise, because clearly it was another promise that could not be kept. Getting back to unemployment—my time is running out so—[Crosstalk]

Sen. Bharath: So soon?

Sen. Dr. L. Henry: Yeah! Now, what we are witnessing in the country, Madam Vice-President, is a lot of hidden unemployment, and a lot of disguised unemployment which has expanded seriously under this Government which they used to criticize the former Government for doing.

Now, if you have—[Crosstalk]—let me explain. Hidden unemployment is when you have a lot of young people who cannot find jobs or find suitable jobs, they then go back and enrol in school, and they find other ways to come out of the labour force, so they are not counted as being unemployed. This can also be linked with the rapid increase in GATE from last year to this year, from $625 million or so to $834 million in 2012; a whopping $200 million increase. Of course, we had a $200 million increase before, so that is not entirely new, but it happened at a time when the hon. Minister was supposed to be cleaning up the GATE programme. That is my only concern about that.

It might be that a lot of young people go into these programmes simply because they cannot find work, and therefore—when you combine this with the expansion of the OJT programme, the expansion of CEPEP, and so on, you get the picture that you have a very—

Now, I wanted to deal with the issue of stabilizing the economy, one of the most rambunctious claims of the Government. I have a lot of information here, but I have dealt with that so many times, I hope that they do not repeat it again, because the first Motion they started with—the Government in this honourable
Senate—was a Motion on the state of the economy back in 2010, in and around June/July there, sponsored by the former Sen. Mary King. We thought we had put those issues to rest but they keep coming back again and again talking about empty Treasury and all kinds of spurious allegations without—

Before I move on to my last two topics, I hope—I want to warn the Government, and this is a serious thing—based on my concerns about the unemployment and the GDP growth statistics, I do not want us to end up like Argentina where the IMF issued a serious warning to Argentina in September, last month, where they told them they had to get their house in order in providing proper GDP and unemployment statistics, and inflation.

The IMF director, Christine Lagarde, said that Argentina could face sanctions unless it shares reliable information on the country’s growth and inflation rate. According to private economists, the annual inflation in the South American country is 24 per cent, much higher than the official figure placed at 10 per cent. Lagarde basically, the IMF director, said that improving the quality of the consumer price data—and so on, the GDP—in that regard, she gave them an ultimatum, Madam Vice-President, saying that they will get a red card.

Since Argentinians are familiar and they love football, she said, you know what that means; meaning that they could be thrown out of the IMF and denied all kinds of opportunities for international credit. Now, I may be jumping the gun, but I want to put this on record that this is a serious matter and be careful with our national statistics.

Two final topics I want to touch on before my time runs out, are, I want to emphasize to the country that our energy sector is in serious and deep crisis. Despite the flowery language spoken by the Ministers in the past, we are still in a very difficult situation. In same debate I referred to on June 05, 2012, I warned about the problems affecting the centre.

The head of BP, Norman Christie spoke about the challenges of doing business and the cost and so on, the factors affecting the energy sector. I do not think anything substantial has been done since then. I made reference earlier in the year to cat-cracker being down. I remember the hon. Minister coming and saying it would be up within a week or so. I wait to hear from him because it is quite possibly the case that it is still down towards the middle of October.

If you look at our energy sector from the same Economic Bulletin of the Central Bank, there is something called the Energy Sector Services Survey which involves all the private enterprises that are involved in the energy sector, conducted by the energy chamber.
The ESSS reported, “a surprisingly sharp drop in business confidence in the second quarter of 2012; not 2011. The fall in confidence was due to the delay in the start of several downstream projects…”

which I did not have time to go into. I am sure my colleagues will pick it up.

“…a marginal drop in the number of rigs during the period compared to the previous quarter and general concerns about the state of the global and local economy.”—precisely the points that I have been making. So if you want to say I am saying that just because I am on this side, “hold dat”.

The energy sector is our goose that lays the golden egg. There is no transformation. There is no economic diversification unless we protect our energy sector, just like the Caricom market that we seem to be giving away, losing our grip on. If we lose the grip on the same thing that made us who we are in terms of our standard of living, this is what will happen. How could you sit by and watch the energy sector basically collapse? This is what we are facing.

My final few minutes—I could go on and on about that energy sector—I want to take to mention some relation to the Heritage and Stabilization Fund. [Crosstalk] Okay! I know this was raised by the hon. Leader of the Opposition in the Lower House, the issue of the fund losing its mandate, expiring earlier this year, March because it was enacted in 2007, and the five-year period is up. I know that the Minister of Finance and the Economy in his wrap up attempted to respond by saying that the report is being prepared and so on, but the fact is, that is six to seven months and going. We know when Ministers in this Government say something is in progress, it tends to be in progress for quite a while. Okay? So, therefore, we are basically running the fund without a proper mandate, but I will go one step further on this issue of the Heritage and Stabilisation Fund.

We have, as the Minister pointed out, close to TT $30 billion in the fund, most of it accrued under the PNM adding 1.6, say, billion and so on. [Crosstalk] Yes, yes, yes.

Hon. Senator: By legislation!

Sen. Dr. L. Henry: So who made the legislation? So, we set it up, 90 per cent of the fund they inherited, so you have four point plus billion dollars, and what is worrying, Madam Vice-President, is that the fund managers are all external. That is how it was managed under the Central Bank over the years. So, all of this fund, this huge amount of money that we all could say should have been more, we could always make that argument, but the fact is it is ours. It is our patrimony; it belongs to the people of the country. What I am getting wind of is that there is a plan afoot to interfere with the investment rules of this fund and to change the management strategy. [Crosstalk]
Sen. George: Getting wind!

Sen. Dr. L. Henry: Yeah! My wind usually blows from a good source.

Sen. George: “Doh listen to rumours, eh!”

Sen. Dr. L. Henry:—that they want to interfere, to change the investment rules to make local managers have some of that money, so you will have the possibility of injecting heritage and stabilisation funds into the domestic economy. Now, why would you want to do such a thing, given the expertise and the kind of success that we have had with the international managers who have had brilliant track records?

12.00 noon

In fact, this Government boasts about how well the fund performed. Why would you want to interfere with that? Even if you take $1 billion of that $29 billion and put it in the hands of some small-time local firm, what is going to happen? Our financial system is already awash with liquidity. The banks do not even know what to do with $5 billion or $6 billion in excess liquidity. Why would you want to do such a thing?

Sen. George: That is why you should question your sources.

Sen. Dr. L. Henry: Or? Okay. In this case, I am telling you upfront. So, we have excess liquidity. We do not have local firms with the kind of capacity to manage these funds internationally. So what will happen to it if you bring an extra $2 billion or $3 billion into this already highly liquid system? I am sorry to say it, Madam Vice-President, but that could be another back-door way of just enriching friends and families of the Government. If you get $2 billion or $3 billion of the Heritage and Stabilisation Fund, what would you do with it? Currently, there is nothing to invest in this country under this Government. So, if you give $3 billion or $4 billion to some local firm, the only thing they would do is go and run it back to the same Government.

My final point is the appointment of the board of the Heritage and Stabilisation Fund. I want to suggest that it be reviewed. The Minister has total control. I would accept that that was probably an oversight, an error, of the previous administration, in terms of the appointment of the board. The board is perceived by people in the financial community as being very weak and ill-equipped to manage such an important asset for the country, and the appointments to the board should be along the lines of NIB where there is a broad-based membership.

With those few words, I thank you very much. [Desk thumping]
Sen. Subhas Ramkhelawan: Madam Vice-President, I welcome the opportunity to contribute to this debate on the Appropriation (Financial Year 2013) Bill, 2012. I paid heed to your admonition that we ought not to be repetitive, and I do recall as a younger man some of the writings that I may have had to undertake that the way of the transgressor is extremely difficult. Many of us would have come—

Hon. Senators: Exceedingly difficult.

Sen. S. Ramkhelawan:—exceedingly difficult and fraught with difficulties. [Desk thumping] It is not my intention to transgress but to engage the community, the nation, as a whole, in a discussion and a conversation, not only where we are at now, but where we can end up being over the next three to four years, which is the framework in which the hon. Minister of Finance and the Economy has framed his budget presentation. And this, I hope that before my time is up I would be able to cover aspects relating to economic growth, the revenue situation of the country, the expenditure picture, the monetary situation, capital markets and any other areas that I may be able to cover within the time allotted to me, without transgressing.

The world is in a state of extreme turbulence. Every time we listen to the IMF and many of the recognized predictors as to what is going to happen with world GDP growth, we get an adjustment, and Sen. Henry alluded to that, the most recent by the IMF, further downgrading the extent of growth that is expected in the world. Sometimes, we as citizens feel that that is not going to impact us, that we are properly cocooned from the rest of the world and that, really, is a mistake that we make if we get to that sense of comfort that the world is not and will not affect us. It already is.

Many of the arguments that are taking place now are arguments and discussions which we as a nation must have, because it does not really matter whether this administration is in place from an economic perspective or another administration is in place. Whatever their decisions, we feel the brunt of those decisions. We will be impacted either positively or negatively by the decisions that are being made today, and what is going to happen to us and, indeed, our children as we go forward.

I think that as I engage the community, by extension, in this discussion, I want to speak about the concern about medium-term growth. The numbers are already there on the table, and they have been discussed ad nauseam: what is our revenue for this year, what is the expenditure for this year, but there are some seeping, deep-seated areas of concern with regard to our economy. The first is the acceleration in our debt—the levels of borrowing that we are undertaking—and the speed at which that is growing.
Only last year, Madam Vice-President, one of the measures that would have been used by economists and by the world over is this measure called debt to GDP, and citizens would understand that. Citizens will understand that if their leverage, their gearing and their total debt is growing relative to their revenue and relative to their wealth, it is something to be concerned about. Citizens will also understand that if the rate at which that borrowing and that debt is growing, it is a matter for deep concern.

I share this concern as far as the nation is concerned. I share the concern that last year, according to the hon. Minister of Finance, our debt to the wealth created was 36 per cent or 38 per cent. In the space of one year, that debt to GDP has grown to 46 per cent. So, it is a 10 per cent jump in absolute terms in terms of the debt that we are incurring. What is that debt for? He has articulated that the debt in the main has been to deal with the Clico situation, where the total cost still counting for Clico is $19.7 billion and going on and on and on. I mention this because those who lend to us externally would consider that debt to GDP, when it crosses 60 per cent or 65 per cent, a signal comes on that you are starting to cross the threshold in terms of the extent of borrowing that you should carry relative to the wealth being created in the country.

And so, doing some calculations, if we believe the optimistic view of the hon. Minister of Finance and the Economy that he will get economic growth of 2.5 per cent, we might feel comforted. But if we take a position that growth will be very muted and even flat, what we see is that if he continues to borrow at the rate that he is borrowing on behalf of the nation, our debt to GDP is going to get into that amber to red-light zone of 60 per cent plus, and that must be a deep concern.

Every citizen would know that when you get to a level of borrowing, the banks start to turn you aside. They do not want to lend to you anymore, because they are worried about whether you can repay that debt. That is the situation as we look out to 2015. I think the Minister has looked out to 2016 and I wish him well because I understand that election will be sometime in 2015. I do wish him well that he can get and explain that position in 2016.

Now, I want to stay with this matter of debt to GDP with regard to what is happening. Our revenues have run generally flat, and we have been ratcheting up expenditure every single year, since 2007, 2008 thereabouts. We have been increasing the level of expenditure and, therefore, the question is, if we have to address this continuing situation, we are going to have to generate growth, because if the denominator grows, the relationship or the ratio will start to fall. This is really the vexing issue that we must address. Where are we going to get this growth from?
I paid particular attention to the hon. Minister of Finance and the Economy when he mentioned a few areas such as agriculture, construction, the energy sector and capital markets. I paid little attention to the often repeated mantra about growth in tourism and how quickly that is going to take us out of the miserable state in which tourism is. I paid little attention to some of those other areas, because they sounded to me at times like wishful thinking, that these are things that we would like to do, it may be nice to do, but without the strategic direction to say how it is going to be done and achieved.

I want to turn my attention firstly to the first driver of growth which has been the key driver of this economy for as long as I could remember, and that is the area of energy. Sen. Henry made some allusions to concerns about the state of the energy sector and the growth in the energy sector. Let me add that the concern that I have with regard to the energy sector which is about roughly half of our economy—the energy sector is half of the economy; it is the main driver of the economy—is one, that if we had to get new investments in the energy sector, those new investments are often times predicated on gas reserves in the petrochemical sector, in particular, and LNG as well.

Our gas reserves—whether you say it is eight years, nine years or 10 years as the case may be—would fall short of being able to attract new investors in significant capital projects—and I have said it before—where the requirement for gas reserves on the table must be 15 years or 20 years and, in some cases, 25 years. None of the significant projects that we would want to attract would be attracted by a gas reserve level that is well below the markup for capital projects of this kind and, therefore, it is a deep concern for us.

I want to congratulate the Minister of Energy and Energy Affairs for having been able to successfully engage bidders in five of the six bid packages that were out there. I believe it is mainly for deep-water drilling. [Desk thumping] If he is successful in his negotiations in respect of making packages available for deep-water drilling, hear is what is going to happen in respect of economic growth in that aspect of the energy sector.

The first is that our experience as a nation is that from the exploration to commercialization it would take in the vicinity of about 10 years if all goes well. The more optimistic among us would suggest that it could be as short as seven years, but I do not think that that has been our history.
12.15 p.m.

So if we want to encourage capital projects of a certain order, we then need to get gas. But that gas, the increase in our reserves is unlikely to come about for another seven to 10 years if every single thing goes well, and one would hope that if even in successful exploration we would be able to get to a stage where we can effectively double our reserves that is danger. That is the danger of the energy sector our ability to attract new investments.

I did hear the hon. Minister of Finance and the Economy speak to a private sector investment in the order of about US $3 billion. I am sure that the hon. Minister in his winding up would say to us what part or component of this investment would constitute maintenance type projects as opposed to projects that are focused on the addition of volume output in the system. And I am sure that when he does wind up, that figure would be more like 80 or 90 per cent in terms of maintenance mode, and I stand to be corrected. That really is the danger with regard to economic growth in the energy sector.

In the oil sector, mention has already been made that we are seeing a deterioration in volume output of oil. From the good old days where it was upwards of 120,000 barrels per day, it is my understanding that we have fallen well below a hundred and probably more at 90,000 levels. I am sure the Minister of Energy and Energy Affairs would be able to give a more precise indication and up, to, date indication.

So the two drivers that constitute the energy sector, gas and oil, there are some difficulties. What I would advise the Minister of Energy and Energy Affairs to do while he goes out there seeking to build our stock in the gas sector, that the oil sector is a faster to delivery aspect of the energy sector. It was not so long ago that the Government would have advertised that there were two finds amounting to some 80 million barrels of oil, and that they were going to do whatever was in their power to get output from those finds to come on stream, partially, within one year. Since those advertisements and discussions, very little has been heard about what is happening in the oil sector to create that increase in oil output.

I have been fortunate to be advised by experts in the area that if we need to increase oil output by maybe 15,000 or 20,000 barrels of oil per day, we would need to put down about 50 wells. Those 50 wells with two rigs would probably take two to three years to get up to that level where we can increase output by 15,000 barrels of oil per day. Of course, I stand to be corrected by the expertise of the hon. Minister of Energy and Energy Affairs, but I am sure he being advised by some of the same experts, his story would probably be along similar lines.
Where we need to increase revenue with oil—and I believe it was the hon. Minister of Energy and Energy Affairs who also said that his income, his revenue in the energy sector, is about 60/40 in favour of oil versus gas even though gas is about 85 per cent of energy equivalent output. And, therefore, it makes sense that we redouble our efforts to increase oil output, which is, as I understand it, already there, already found or already proven in the ground to get that going. And I would like to hear the Minister of Energy and Energy Affairs speak to that particular area, and I want to jump back to the question of gas.

I am advised that gas now can be purchased maybe at $3 MMBtu, maybe $2.50 for the current gas output, but when we go out there into the deep waters and expect to get gas, whether it is seven years or whatever, the present value of production to make it worthwhile for those people who are going to do exploration would be somewhere in the vicinity of $5 to $6. What does that mean, Mr. Presiding Officer? It means that the cost to the nation will be almost double, and this is in the context of what is happening across the world where shale gas is being produced at less than $3, and output is expected to increase and ramp up in a very short period of time.

Indeed, it is the case where, in the US, the expectation is that LNG is going to soon be exported out of the US in a matter of two years or three years. So, I wanted to stay on this particular topic of economic growth and the drivers of economic growth, where, in the sector that we are speaking about, the contribution to GDP is 45 to 50 per cent of our overall wealth.

Our citizens understand that that we have a challenge as a nation going forward, that what has fed us and what has clothed us, and what has given us a very good standard of living, is fraught with danger as we go forward and what is it that we need to do as a nation.

From the largest to the smallest in terms of economic drivers, and probably my favourite area, is the area of agriculture.

On the one hand 45 to 50 per cent of GDP, on the other hand agriculture 0.6 per cent of GDP where, in a country we have shut down the sugar industry for almost 10 years now and we have left 50,000 acres of land which were in production fallow, and up to now we cannot even ramp up to put 5,000 or 10,000 acres of those lands back to agricultural usage. And that must be one of the greatest dangers that we face because, apart from the fact that it would add to GDP, it can also absorb many of our citizens in real production.
Sometimes you might hear me speak about that CEPEP Programme, because I wonder what sort of real impact on the economy it is having. It may be that the citizens who are employed in the CEPEP programme have some spending power, and that feeds back into the system. But I want to reiterate my position with regard to the use of our CEPEP employees in the agricultural sector. I have heard a lot of the arguments.

One argument is that our citizens who are involved in CEPEP do not have the technology for agriculture. Well, I do not think that technology is difficult to transfer. I have heard arguments that our citizens may not want to engage in agriculture. Well, I will tell you what. If you reduce make-work programmes and you create opportunities in agriculture you may get some transfers taking place. But back to this agriculture up 0.6 per cent with 50,000 acres of land lying fallow, I want to encourage the Minister to do whatever is in his power to accelerate this programme that is agriculture. Because I will tell you what and I am sure the Minister knows this: grass well cut, you cannot eat that. You cannot eat it, no matter what you do. So it makes sense that we redirect our labour force to effective production in the agricultural sector.

It was the former Minister of Food Production, Land and Marine Affairs who produced what I thought were some realistic plans for expansion of production in the agricultural sector. Unfortunately, he gave a good talk on it but he now is on another area. I wish him well that he will be able to produce results in that particular area, but we have a new Minister of Food Production and we will charge him with delivering on those results.

Before I move away from agriculture, I want to continue to stress that there is an opportunity that we are disregarding at our own peril, not in terms only of contribution to economic output and growth, but more so in terms of food security. So while you turn on your engine and set the pirogue onto the path of Guyana for additional food, let me suggest that before you do that, or concurrently with doing that, get our food production in this country going.

I turn now, in terms of economic growth, to one other area that the Minister mentioned, and that is in the area of financial services and capital markets. I think it has already been very well stated that the financial services sector is probably our second largest sector at 11 per cent of GDP, and I stand to be corrected, after energy. So on the one hand we have agriculture, the smallest sector that can be registered on our GDP pie; we have energy and then we have capital market services, financial services, of 11 or 12 per cent.
The Minister in his contribution—not in this place but in the other place—made it very clear that he wanted to, first of all, divest some 20 per cent of the First Citizens Group. And I congratulate him on that endeavour—that he wanted to list the Clico Investment Fund, and that he wanted also to amalgamate or merge the Trinidad and Tobago Mortgage Finance and the Home Mortgage Bank and bring that entity to market. Now, we have heard this before; we heard it in 2011; we heard it in 2012 and we are hearing it for 2013. So if there is any advice I would like to give the Minister, is, make the thing happen. Get beyond the talk and let us get to the walk, because that is the only way we can have an impact in terms of economic growth via the capital markets. And it would provide an impetus to these markets—and by the way, Madam Vice-President, let me declare that I am a practitioner in the capital markets area, and let it be so noted.

12.30 p.m.

By my estimate it would assist the capital market, indeed the stock market, where the value of shares traded would actually increase by about 15 per cent. As it stands now, what is called market capitalization or value of shares on the market is some $98 billion. With the injection of the Clico Investment Fund that would add another $5.5 billion to the market. With the injection of 20 per cent of First Citizens Bank—and this is my calculation—I expect that would add another $2.15 billion to the market, based on the earnings of that company as well as the valuation based on price earnings multiples.

With regard to the TTMF/Home Mortgage Bank addition, if even we add 50 per cent or less than 50 per cent to the market, that would add another $1 billion to the market; so overall, from 98 billion to 114 billion. I applaud the Minister in his initiatives, and I appeal to him to get the initiatives off the ground.

As we spoke about Clico, I want to speak to the matter of: have we resolved all the debt, all the injection, in respect of Clico? I want to remind the Minister that his honourable predecessor made certain changes to the settlement, if you will, of the EFPA policies to Clico policyholders. It was an elemental change which would have significant impact on our increase in debt, which I consider to be something to be deeply concerned about, from 36 to 46 in one fell swoop, and if we continue with the deficit on a flat basis, up to 60.

But when the then Minister of Finance changed the rules of engagement, one of the things he did was he initially issued 20-year bonds, or bonds to the policyholders for years one through to 20, and they were supposed to essentially liquidate this in the market. What was clear is that the 11 to 20 at face value, if
sold in the market at that time and indeed now, would have only received 45 cents on the dollar. So you take your 11 to 20 bonds, you go to the bank or you go wherever, you would have gotten about 45 cents for that block of bonds.

When he changed the rules, he said, “From your 11 to 20 bonds you are going to get dollar for dollar in terms of the shares of the Clico Investment Fund.” What is clear is that somebody has to pay for that, and it is the Government that is going to have to make whole that deficiency. The total sum of bonds, if I recall, that was issued through that programme for 11 to 20, is in the order of about $4 billion. If it is in the order of $4 billion, and you are giving them—whereas before they would have gotten 45 cents on the dollar and they are now getting 55 cents more, who has to pay? Of course the taxpayers would have to pay via the Government of the day.

So immediately the point is that an additional debt would have to be created, or financing will have to be created to the tune of an additional $2.2 billion to settle this Clico matter. I will ask the hon. Minister in his winding up whether he has taken cognizance of this and made provision for this, in the budget for the year ended September 30, 2013. If he has, then I will dutifully retract my comments that I have made with regard to this matter.

I turn now to the area of construction which was one aspect that the Minister spoke to in his growth initiatives. I fully endorse incentives and concessions which can help to get growth in construction in the private sector. Sometime ago, Madam Vice-President, maybe a little more than 10 years ago, some incentives were put into the construction sector, and it did have the effect to promote and drive residential and commercial construction from the private sector. I think that this is a good move and this will, in fact, give a fillip to the economy. I congratulate the Minister on his foresight in dealing with this aspect in the construction sector. [Desk thumping]

I want to move away from growth, which was my main contribution in any event, my concerns about growth and the lack of growth and what it could mean for us as a nation. We as citizens, whichever administration is in power, will feel the brunt of their bad decisions or will feel the benefit of their good decisions. But what I do not want to say is that we have to prepare for a time, over the next three years, if we cannot get stellar growth, where we are going to have to band our bellies collectively. If we do not, just look around the world and see what is happening: the profligacy of some countries. The expenditure without any regard for the generation of revenues has put Europe in the state that it is in. The slippery slope of Greece, the oldest democracy in the world; Spain, which it is claimed put the first European on Trinidad soil; Portugal; these are matters that we have to be very, very cognizant of.
If we cannot adjust our position as a nation, we would look for a government to blame, and we would blame the Government of the day then: How come we do not have enough jobs? As you know, Madam Vice-President, in Spain now, unemployment is about one in four, and for young people unemployment is about one in two. Let us as a nation put our Government to task and say: “Do not overspend”, rather than saying, “Well, you know, we will deal with that when the time comes.” The time is upon us. We cannot afford to wait.

When the Minister projects that in three or four years’ time he is going to find himself in a situation where debt to GDP could be troublesome, I want to remind him, he does not have to look far. He does not have to go to the slippery slope of Greece; just look right around us. Was it not Barbados that was held up as the flagship of the Caribbean, in terms of economic management, about three or four years ago? Yes it was. We were looking at them as a model. Barbados’ debt to GDP now is plus a hundred per cent, and its credit rating has gone down. That is a point that I also want to make to the hon. Minister, which he knows very well.

Interest rates are at their historical lows. If we continue to borrow, interest rates cannot remain at those historical lows. So when you have the most debt, you are going to find interest rates starting to rise on you. So it is not a single-edged sword, it is a double-edged sword. You do not get growth, your borrowing goes up, your cost of financing goes up, and then you find that you reach a tipping point much faster than you would have anticipated. That is what we have to address. It is in the context of the opportunities or lack of opportunities for revenue growth, and it is in the context of the time frame that it would take to lift the boat of Trinidad and Tobago, in terms of increased economic activity.

There are other arguments which have come up in the world order. It is about stimulus versus austerity. Whether we like to admit it or not, we have not had austerity in this country for as long as I could remember. Austerity took place in 1985—1995, when we virtually caused a collapse in our economy when we were projecting oil prices of $35 and $40, and oil prices went to $9. I want to bring this to the attention of the hon. Minister of Finance and the Economy, because I am sure he will bring it to the attention of his wider Cabinet.

We are price takers in the world. Our major product, our major produce, our major output, oil and gas, we cannot impact the price of gas in the world, neither can we impact the price of oil in the world, so therefore as price takers we have to be even more conservative. We cannot ramp up the pump and say, “Okay, prices went down, we can increase volume”. That is the challenge that we have now. Our volumes are, in fact, decreasing, not increasing, and there is very little
opportunity to increase our volume over the next two to three years, except in oil, which we should pursue vehemently. There is very little opportunity. Therefore in our planning and in our projections we must be even more conservative, just like any man running his family, or any woman running her family, or both running that family. You have to know what your expenditure is, and you have to cut your cloth to suit. As we used to say: do not hang your hat where you cannot reach.

I am very worried about the situation that is taking place, almost glibly, that for some reason this God, by whatever name you call him or her, is a Trinidadian, and this Trinidadian God is going to ensure that oil prices and gas prices are of such an order that we can continue to live in the way that we have been living, without producing any more volume. So I raise it as a red flag; it is a matter of deepest concern.

I want to reiterate that in our planning and projections, the Minister of Finance and the Economy has injected a 2 per cent growth. I would humbly request to him that he undertake scenarios that look at the downside. You know, in business we say—and he has not left business too long now—always plan for the downside, because anything “yuh” get on the upside is gravy. But if you are planning at the upside and you take that “spirit lash”, you do not know where you are going to end up. Families that are well organized plan like that. The family of Trinidad and Tobago must not be misled. The hard, cold facts of our situation must be told.

We know that any government that is in power looking at elections in two years’ time, looking at a local government election, a Tobago election and then a general election, would be very hard-pressed to cut expenditure, but that is a political reason. But from an economic sense as well, there is some difficulty in cutting back public investment. The difficulty is that the local private sector is not investing. It can be seen from the growth in credit in the banking system, where there is a wash of money and very little being borrowed for investment purposes.

We who are in business also like to say that it does not really matter what interest rates are. If I could borrow at 50 per cent and make 70 per cent, I am going to invest, but if I could borrow at 3 per cent and cannot make 3 per cent, I am not going to invest. So the challenge is how and where do we create these investment opportunities that make sense.

12.45 p.m.

And this is the situation that we find ourselves in. So, these are some of the thoughts that I had with regard to economic growth because, as I said, I did not want to transgress, Madam Vice-President, and repeat what has already been said in this place and the other place.
I want now to turn my attention to some other areas, and some of them have been mentioned and some have not. I wanted to raise again, with the hon. Minister, the matter of pensions. Now, the hon. Minister would have spoken on the question of increase in National Insurance benefits and increased contributions and so on, but I want to speak to occupational pensions in the private sector, and I want to speak, more particularly, to the unfunded position that we have in terms of public sector pensions.

Over the years there have been a lot of pronouncements with regard to having a contributory plan for public servants and others. That has never gotten off the ground even though it has been spoken of for many, many years. My focus, though, is seeking to find a way to deal with the pension situation as it now stands.

In 2008, the unfunded pension liability for the public sector—I say again, as I have said before—was $30 billion, and we are not taking any initiatives to deal with that liability which keeps ballooning on us over time, and that is the present value of the pension liability. That $30 billion—

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

Motion made: That the hon. Member’s speaking time be extended by 15 minutes. [Sen. C. Baptiste-Mc Knight]

Question put and agreed to.

Sen. S. Ramkhelawan: Thank you, Madam Vice-President. Now, that $30 billion is equivalent to our savings in the Heritage and Stabilisation Fund. So we have a liability that is ballooning on us equal to our savings, and it is a matter of concern because, as your debt grows, you get closer and closer to the mark. If you cannot achieve economic growth, it becomes more difficult to make the payment of that pension. When we compare ourselves with other countries have sovereign wealth funds, you would see that in most of those cases they have pension funds that deal with this liability.

I want to encourage the Minister, at the appropriate time, to introduce mechanisms to ensure that that $30 billion, which is approximately half of our expenditure in this budget, will be covered, and do it seriously, because it is one, while we can adjust transfers and subsidies at our peril, constitutionally we cannot adjust pensions. It is stated in our Constitution that we must pay pensions, so, it is a cost that you must cover.
I want to turn now to the Heritage and Stabilisation Fund. There have been a lot of arguments and discussions with regard to the Heritage and Stabilisation Fund, and I only want to address one aspect of the Heritage and Stabilisation Fund. First of all, I want to congratulate successive administrations for the build-up of those savings in the Heritage and Stabilisation Fund which now stands at about 50 per cent of our budgeted expenditure for the year, and that is a significant achievement.

While there is a long road to go, the fact is that we have savings to deal with, in part, any rainy day that could come to visit us as a nation. And if it turns out to be that, I invite the Minister to have a look at the legislation, because there were two parts envisaged in the Heritage and Stabilisation Fund. One was for those who came after us, and the other was for stabilization and meeting our costs.

But I would want to tell him that the way the Heritage and Stabilisation Fund is orchestrated, there is no way that he can draw on the stabilization component, unless oil prices get to, I believe it is, 60 per cent of what you budget, and you do not wait until the rainy day approaches us, and you need to come to the Parliament to repeal parts of the legislation. Make those adjustments now. And why? Because if you anticipate that a rainy day will come, you must be able to draw on the stabilization component which could be maybe $15 billion over time.

Now, this is heresy for those people who say you must not touch the Heritage and Stabilisation Fund. Well, why do you save? You save for the rainy day, and if the rainy day comes, and you have your savings in a lockbox that you cannot touch, well then it was really not of the kind of use that you wanted.

Now, the hon. Minister has been searching and scrambling for sources of revenues in order to meet his budget, and of course he fell short, because he had to go out there and seek financing for some $7 of the total amount, which is 15 per cent of the revenue as budgeted. He is borrowing 15 per cent on the revenue as budgeted. And I want to invite him, and I have said it before, but I hope that this Minister will pay some attention to this particular aspect.

In 2008, a Bill was passed in this honourable Senate and that Bill was a treasury bond Act 2008, and what bothered me about that, and still bothers me, is that the Government borrowed money—listen to this very carefully, Madam Vice-President—a billion dollars plus, and had the authority to borrow more, and the Government borrowed $1.1 billion at 8 1/4 per cent. The purpose of the borrowing was to take that borrowing and put it away in a locked box, not to be used for any of the purposes of development and so on, but to take cash out of the
system, and borrow that, and we are paying—if my calculations are correct on a billion dollars—we are paying about $82 million in interest, but we cannot use the money because that money is in a blocked account.

**Sen. Singh:** Who made that deal?

**Sen. S. Ramkhelawan:** Now—[†Interruption]

**Sen. Singh:** What kind of arrangement?

**Sen. S. Ramkhelawan:**—it bothers me that we have borrowed money and we cannot use it—$1.1 billion—yet still every year, for the past three years, we still have to borrow money. If we had a surplus, made sense. It still did not make sense; let me put it that way.

But I want to engage the hon. Minister of Finance to get to the bottom of this particular treasury bond Bill, and until and unless he does that, I am not going to give up on this. I cannot see that—while we tolerate wastage in terms of inefficiency and effectiveness, I cannot tolerate wastage where you have your eyes wide open, borrow money, paying $82 million for it, and not doing anything about it, and every time it is raised, people say there is a very good cause for it. Well, tell me and tell this Parliament what is the very good cause. Come back to me and tell me what is the very good cause. Because if I do not hear about it, I am going to raise it again.

**Sen. Singh:** In 2008, who was in charge?

**Sen. S. Ramkhelawan:** So, these are some of the concerns that I have. As I said, Madam Vice-President, it is not my intention to delve into the other areas that others can address. It is my intention, and it has been my intention, to discuss this matter of economic growth, and the challenges of economic growth in the areas that we have chosen to pursue, and what we may need to do going forward.

Two: to speak to some of the peripheral issues, which in terms of expenses that could impact us, and how we need to deal with those expenses as we go forward.

Three: to point to the danger of increasing debt to a level where, as we look forward with interest rates that could only go one direction, which is up, that we are putting ourselves in a dangerous position and we need to resile from that sort of position.

So, having said that, I wish to thank the Senate for giving me the opportunity to make a contribution focused on economic growth on this budget. Thank you, Madam Vice-President. [†Desk thumping]
Madam Vice-President: Hon. Senators, it is now 12.56 and I propose that we take the lunch break of one hour, and resume—well, one hour and four minutes, we will resume at two o’clock. This sitting is now suspended until 2.00 p.m.

12.56 p.m.: Sitting suspended.

2.00 p.m.: Sitting resumed.

The Minister of Energy and Energy Affairs (Sen. The Hon. Kevin Ramnarine): Thank you very much, Madam Vice-President.


Sen. The Hon. K. Ramnarine: Madam Vice-President, I rise to make my contribution to the debate on the 2012/2013 national budget.

Let me, first of all, congratulate the Minister of Finance and the Economy on the delivery of his first budget. Let me also congratulate the Prime Minister for her leadership and guidance of the Government of the Republic of Trinidad and Tobago. [Desk thumping]

Madam Vice-President, energy—and of course I am the Minister of Energy and Energy Affairs, and I know people are waiting to hear my contribution—agriculture and water, I have always said, are the three pillars of any civilization. When we consider the world we live in today, it is estimated that by the year 2040 there will be nine billion people living on this planet and half of those people will be living in cities, and that will place a tremendous strain on energy, food, agriculture, of course, and water. So, it is against that backdrop that we find some of the biggest challenges of the 21st Century, and anthropologists have proffered that all three are interconnected. When you consider those three against the challenge of climate change you begin to see the problem, the challenge of our generation. That challenge to supply the world with energy is becoming more and more difficult and is beginning to reflect itself in our realities here in Trinidad and Tobago.

Madam Vice-President, before I forget, I want to recognize the presence in the Public Gallery of the distinguished Mr. John Bharath, former Member of Parliament [Desk thumping] and father of the Minister of Trade, Industry and Investment and Minister in the Ministry of Finance and the Economy.

Sen. Deysalsingh: Dr. John Bharath.

Sen. K. Ramnarine: Dr. John Bharath, correct. [Desk thumping]
So, Madam Vice-President, I start off with that context of the challenge: energy, food, water, climate change, and we look—and Sen. Subhas Ramkhelawan, I want to congratulate him on what was a very excellent contribution, I thought. I thought he provided us with a very balanced view of the state of play, not only in Trinidad and Tobago but in the world. He said that the world was in a degree of turmoil, and I will just quickly look at what is happening in the world.

There is the potential for a war right now between Syria and Turkey. Iran is reported to be a few weeks or a few months away from enriching weapons grade uranium and that will have geopolitical consequences that we cannot even begin to imagine. As a consequence of its nuclear ambitions, Iran has had an embargo placed on its oil, and that has had implications for Trinidad and Tobago.

Next door in Venezuela, there was an election last Sunday, I think it was October 06, and the incumbent administration was re-elected for another six years, and there are consequences there for Trinidad and Tobago also, because, you know, we share three cross-border fields with the Venezuelans. One of those cross-border fields being the Loran Manatee Field, and our Ambassador in Caracas—Ambassador Anthony Edghill—has been in discussions with the Venezuelans about that cross-border field. We hope that now that things have settled down in Venezuela and as they get back to work we will begin to engage the Venezuelans once more on those three critical cross-border fields.

Madam Vice-President, as Sen. Ramkhelawan pointed out, Europe is on the brink of economic disaster which can only be averted by enlightened intervention. So that is the geopolitical picture and, as I said, we are not isolated in the world; all these things have an impact on us.

The other important trend, which we hear coming up again and again as it relates to the energy sector, is the shale gas phenomenon in the United States. It is no secret that the United States now produces a tremendous amount of shale gas, and the US Energy Intelligence Agency estimates that America has approximate resources of 2,500 trillion cubic feet of technically recoverable natural gas of which 33 per cent is held in shale. Natural gas from shale rocks now accounts for 25 per cent of the United States’ natural gas production.

Last week there was a lot of commentary around the energy sector, and I want to thank all those who contributed to the debate in the Lower House and made contributions as it relates to the energy sector. I will try as much as possible to relate to what was said in the other place.
So, Madam Vice-President, I want to say that it is a very challenging time for the Trinidad and Tobago energy sector. This is not something that we would want to sweep under the carpet, and it is a challenge that has to be met head-on and it is a challenge for which no one person has all the answers. I have been very fortunate, as Minister of Energy and Energy Affairs, to have expert advice. As Sen. Ramkhelawan pointed out, we may be speaking sometimes to the same people, and many of the people who have advised Governments from the NAR administration through to the first Manning administration, to the Panday administration, back to the Manning administration, have been the people who we have been speaking to, because there are public servants who straddle almost every administration.

I want to say that I have also found support in the Cabinet from the Prime Minister, from the Minister of Finance and the Economy, and I want to thank him for his support. He used to be the chairman of the National Gas Company before he was made the Minister of Finance and the Economy, and now we have to find a replacement for him. I want to thank him for his support. Sen. Bhoe Tewarie has also been a good sounding board on energy policy.

So, Madam Vice-President, when we look at the economy of Trinidad and Tobago, as Sen. Ramkhelawan pointed out, energy is 45 per cent of GDP to 50 per cent of GDP. That is correct. But, there are people who believe that the contribution of the energy sector is even greater than 50 per cent. If one considers the transportation sector, if you consider the services sector, you consider power generation and so on, it could be as high as 60-65 per cent of gross domestic product, if you consider the indirect relationships to other sectors.

When you consider the agricultural sector you may ask, what is the link to energy? Well, the tractors and so on, they use subsidized diesel. You look at the services sector, restaurants use LPG. Our LPG in Trinidad is among the cheapest in the world, and, therefore, the cost of food is a direct function of the cheap price of energy in Trinidad and Tobago.

Madam Vice-President, energy impacts on everything we do, and that diesel that we talk about is subsidized in fiscal 2012 to the tune of $2 billion. Of course, I mentioned LPG—and electricity in Trinidad and Tobago is among the cheapest in the region. We produce our electricity at PowerGen at Trinity Power and at TGU, on which I will speak a bit more if time permits.

The revenue forecast, Madam Vice-President—and I will treat very quickly with the issue of the oil price, because it is not as contentious as it was last year. Last year there was quite a lot of discussion around the oil price. The revenue forecast for this fiscal year is based on an oil price of US $80 per barrel for the local basket of crudes.
In fiscal 2012, just to give an idea of what is now behind us, the weighted average price of the local basket of crudes was $98.70, which is higher than the West Texas Intermediate price of $95.89, but lower than the Brent price of $111.25. So, without spending too much time, I think there is consensus among the public commentators, among the Opposition and the Government, and I hope the Independents, that the price of $80 is a fair reflection of the price that the budget should be set on.

Coming out of the gas price—and I will spend a bit more time on the issue of the natural gas price—the price used in the budget is $2.75 per MMBtu. It is the price that I think we have used for the last four years. That price too, just to give an idea of what has transpired in the previous fiscal year, in fiscal 2012 the national budget was also based on that price, and during the period October 2011 to June 2012, which is the first nine months of fiscal 2012, the average wellhead gas price received for the sale of LNG, which is gas for export, was $2.79 per MMBtu.

The domestic price, Madam Vice-President, was $2.92 per MMBtu, giving you a weighted average gas price for Trinidad and Tobago of $2.85 per MMBtu, which means that we surpassed the budgeted price of $2.75. There has been a lot of talk about the downturn in price in the US and the natural gas price right now in the US, the Henry Hub price, is $3.58 per MMBtu this morning, and that depressed price—and the price has recovered somewhat in the last month. I am sure Sen. Ramkhelawan follows the Henry Hub price on Bloomberg.

But we have been able in Trinidad and Tobago to diversify our exports of LNG away from the United States. So whereas three to four years ago 80 per cent of our LNG went to the United States, that has now been reversed, and 20 per cent of our LNG now goes to the United States. Where does the other 80 per cent go? Well, 16 per cent goes to a market that we call the Americas, and that is the Dominican Republic, Canada and Puerto Rico; 35 per cent, Madam Vice-President, the biggest share, goes to South America, and that is the countries we call the A B C countries: Argentina, Brazil and Chile; 14 per cent goes to Asia; 1 per cent goes to the Middle East and 14 per cent goes to Europe.

So the export of natural gas from Trinidad and Tobago has been diversified and, as a consequence of that diversification, the companies are fetching the higher prices in Europe, South America and Asia for natural gas, and, therefore, we expect that the assumption used by the Minister of Finance and the Economy of $2.75 per MMBtu will, again, hold in fiscal 2013.
Madam Vice-President, in the last budget presented by the hon. Minister of Finance then, Minister Winston Dookeran, he forecasted that the Government of Trinidad and Tobago would collect $18.1 billion from the energy sector. It is in the speech delivered to this Parliament almost one year ago. For purposes of clarification for the one or two people like me who like to do a lot of research into economic data, when the Minister of Finance and the Economy announces the contribution to national revenue from the energy sector, that figure, I have confirmed, does not include corporate taxes from Atlantic LNG and from companies at Point Lisas.

So when the Minister of Finance and the Economy says that he is expecting to collect 20 billion in this budget from the energy sector, in the national accounts there is a category called “oil companies”, and there is a category called “other companies”. The Point Lisas revenue, the Atlantic LNG revenue, is considered corporate tax, so it is included there. But, I am advised, Madam Vice-President, that while we expected to collect 18.1 billion, that figure has been revised slightly upwards to $18.6 billion for fiscal 2013.

Madam Vice-President, when the Leader of the Opposition spoke, as he did last week Monday in the other place, he dealt quite extensively—he spent some time on the energy sector. There were also contributions from the Member for Diego Martin North/East and from the Member, I think, for St. Ann’s West/Port of Spain North on the energy sector, and the Member for Point Fortin—he spoke about the need to capture more value from LNG.

I want to put on record that the LNG industry has now been in existence in this country since 1999, April 1999 to be precise, when the first cargo left these shores. The Government at that time was the Panday administration, Minister Ganga Singh would have been part of that Cabinet, and he would remember that historic day when the first cargo left.

For many years, 13 years now, we have been saying that we have not captured the correct value, or captured enough value from the liquefied natural gas industry, which is now one of the pillars of the economy of Trinidad and Tobago. So, Madam Vice-President, that has been a long, sought after dream. It remained a dream for Trinidad and Tobago until last August, that is August of this year.

2.15 p.m.

I was saving this critical announcement, Madam Vice-President, for exactly this occasion. You see they say we have no plan, but now I wish to announce and place on the Hansard record the following and I would read if you permit me just to read what I have here.
On August 17, 2012, the National Gas Company shipped its first LNG cargo under a self-marketing scheme; [Desk thumping] one small step for the NGC, one major step for Trinidad and Tobago. Previously, Madam Vice-President, all of the NGC’s LNG cargoes from Train 4—because the NGC owns 11.11 per cent of Train 4 for which there are allocated cargoes. Previously these cargoes were marketed on behalf of the NGC by a company called BPGM, a trading company owned by BP Global.

In 2011, under this administration, under the chairmanship, the distinguished chairmanship, of one Larry Howai, the NGC served notice to BP that they would be decontracting this arrangement, which means basically they be putting this arrangement to an end, and they had to give 12 months’ notice for that to happen, so that brings us to 2012. The first cargo was lifted on August 17, Madam Vice-President, of this year and it was sold via an international bidding process. After assessment of all bids, the cargo was awarded to a company called Gunvor, a trading company with offices in Singapore and Geneva. Details of the winning bid are as follows: the volume lifted, 118,000 cubic metres of LNG and the price—this is the important one, and the price the NGC got—$9.25 per MMBtu.

What does that mean in terms of dollars and cents? Based on the above, $9.25 per MMBtu and the volume, this cargo earned revenue of US $25 million for the NGC. A calculation on what would have been earned had this cargo been marketed under the previous arrangements said that we would have gotten a price of around $1.60 per MMBtu. That is $4.3 million. Therefore, by making this very bold and strategic move, the NGC was able to gain over US $20 million in incremental revenue on one cargo. [Desk thumping]

So after 13 years in this business, citizens of Trinidad and Tobago, born and bred in Trinidad and Tobago, proud citizens of this country working for the National Gas Company, a hundred per cent own by the people of Trinidad and Tobago, have gone where no one has gone before, and we are now marketing our LNG cargoes that we rightfully owned as a consequence of our ownership of Train 4. That, Madam Vice-President, is something I want to put on the Hansard record and I want to thank all those involved in the NGC, and I want to thank the Board and, of course, the Chairman at that time is now our Minister of Finance and the Economy and you see why he is an excellent Minister of Finance and the Economy. [Desk thumping]

Madam Vice-President, the Minister of Energy and Energy Affairs is not satisfied with that analysis. The Minister of Energy and Energy Affairs had to understand if we were making an incremental revenue gain of $20 million on one
cargo, how much money did we lose as a country, with that arrangement in place with BP? The NGC did the analysis. They did the analysis between the years 2009 and 2012.

To cut a long story short, Madam Vice-President, the incremental revenues lost to Trinidad and Tobago amounted to US $120 million between 2009 and 2012. Remember we had to give BP one year’s notice, so we could not have started immediately in 2011. But what this story tells us as a country is that we have not gotten the value from the export of natural gas that we should have gotten.

I am in agreement with the Leader of the Opposition, but he was part of the Cabinet that presided over the NGC giving this contract to BP. I am in agreement with him that the time has come for us to get more value from LNG because, Madam Vice-President, you see when you look around the world and you look at countries that are exporting LNG, Qatar and so on, there is a Government involvement in the marketing aspect of the business.

Our involvement as a country is very little beyond Point Fortin. The ship leaves Point Fortin, it is filled up at Point Fortin, it goes to somewhere in Spain or somewhere in China and our involvement is very little. So what we have also done, apart from the fact that we have earned US $20 million more for Trinidad and Tobago—and there will be more shipments, there is another one scheduled for December, and we will also gain a lot of revenue from that—it is also the learning that is taking place at the NGC, because the young men and women at the NGC, citizens of Trinidad and Tobago, are now beginning to learn the LNG marketing business.

As we look around at all our contracts now, Madam Vice-President, ministers’ share of natural gas, we are seeing opportunities now to hive out even more cargoes. So Trinidad and Tobago could become a major player in the marketing of LNG globally and that I put on the table as a significant achievement of this administration. [Desk thumping]

Madam Vice-President, oil production—oil production, when I became Minister of Energy in June 2011, the very first speech I gave was a speech I gave to my former employer—I once worked for the then South Chamber of Industry and Commerce, they had transformed themselves into the Energy Chamber—and the number one priority I identified in July, I think it was, of 2011, was to increase oil production—to first of all arrest the slide in oil production and to increase oil production.
Now, Sen. Ramkhelawan provided a very interesting analysis, and in that analysis resides the reason for my number one priority. On a volumetric basis we produce a lot of gas compared to oil. We produced almost eight, could be nine times more gas than oil on an equivalency basis and there is a formula to convert natural gas to an equivalent oil barrel, but when we look at our revenue, about 50 to 60 per cent of our revenue from the energy sector is coming from oil.

So what that told me as a student of these numbers, is that the lever that I had to throw to get the quickest win for Trinidad and Tobago was oil production. Sen. Ramkhelawan then said it was easier to increase oil production or faster to do it than to increase natural gas production. He is very right. The third thing he said is that there were reserves of oil that were waiting to be picked in south Trinidad. So, Madam Vice-President, that has been the express priority of the Ministry of Energy and Energy Affairs, it has been written into the medium term policy framework that Sen. Bhoe Tewarie has produced.

Madam Vice-President, there is not an attempt here to blame anybody, but I would say in the last 10 years one would have to admit that there was an intense focus on natural gas, maybe to the expense of oil production in Trinidad and Tobago. The people who were the leadership of the then Government, the PNM administration, were focusing more on the development of natural gas as opposed to oil and maybe to the expense of oil production. I recall, and I looked for the newspaper clipping and I could not find it, that former Prime Minister Patrick Manning had recognized this coming down to the end of his term as Prime Minister and he had said that we were swinging too far towards natural gas and we needed to go back to oil.

So, one of the reasons for the decline in oil production in the last decade has been—and there are many reasons—that there was no strategic focus on oil production on land, in south Trinidad and in Trinmar and I have come to the Senate many times and I said that the focus of the Malcolm Jones Board was the refinery. The focus was not Trinmar, the focus was not the land fields, the focus was the refinery. When we look at the refinery and what they focused on, they focused on the World GTL project which I understand it might be before the courts, so I will heed your advice about matters before the courts, but I will say that it has cost Petrotrin close to now $3 billion for which they have not realized a single drop of synthetic diesel.

Sen. Singh: Three billion!
Sen. The Hon. K. Ramnarine: The other project was the Gasoline Optimization Project (GOP). That project has not yet come to an end. It will come to an end, I am advised and I do not want to make any promises before Sen. Lester Henry comes back next year in the budget debate and quotes me, the final leg of that project is the commissioning of the FCCU. It started off, I believe, with a budget of US $850 million and has ended with a budget somewhere around US $1,600 million. Close to $10 billion has been spent on the GOP project.

Now, from a strategic point of view, the world was changing and we needed to have clean fuels at Petrotrin to keep our markets and so on. [Crosstalk] The objective was a good objective from a strategic point of view, because we are going now into clean fuels. You would know that, as of August 01, I think it was, the United States had a major change in its specifications for fuels and so on and everybody is going the way of the Europeans, low sulphur. But had a portion of that money, or let us assume all the money from the World GTL project was spent on Trinmar the economic fortunes of this country would have been totally different today.


Sen. The Hon. K. Ramnarine: Because people who know Trinmar, Madam Vice-President, will tell you that Trinmar has huge potential and there is no shortage of people—whenever we engage international investors, there is no shortage of people saying, you know, are you all going to put Trinmar out for private investment? And I want to say that the Trinmar license, we have almost finished the negotiation between the Ministry and Petrotrin of the Trinmar license. It will be coming to the Cabinet very shortly for approval and that Trinmar license is a modern license where we have put in a work programme for Petrotrin to which they have to adhere, just like we treat any other company in the energy sector.

So, Trinmar, Madam Vice-President,—and somebody spoke about what is the plan to increase oil production? I would say oil production in fiscal 2012 has fallen to 83,400 barrels of oil per day. But as I said, I think it was in one of the Finance Bills, there are two aspects to oil production which one must understand. There is what we call black oil which is true crude oil and then there is something called condensate. I remember I brought a bottle of condensate to the Parliament a few months ago. What has happened is that condensate production from BP has virtually collapsed between January 2011 and today, and that is a consequence of many things, one of the factors being that they are producing more and more what they call dry gas which has less condensate in it.
So the strategy for oil production has Petrotrin at the centre. Petrotrin is at the centre of the strategy for oil production and we believe at the centre of that centre is Trinmar. Secondly, there is a strategy as it relates to land based production.

Madam Vice-President, I will now deal with natural gas production and I have to correct something which the Member for Diego Martin North/East said in the other place. He was quoting figures from the *Review of the Economy* and he was specifically referring to page 61 Appendix 8 of the *Review of the Economy*. He said:

“Natural gas production is projected to decline from its 2010 figure by almost 30 per cent.”

So when I heard that, I was looking at it on TV, I almost fell off my chair, because Minister Larry Howai who was chairman of the NGC would tell you if that were to happen it would be economic Armageddon in Trinidad and Tobago.

He then went on to say:

“Wey yuh getting growth from’ if natural gas production is going down from 45,000 cubic metres in 2010 to 27,000 cubic metres in 2012?”

So I was very concerned and I said it had to be coming from this book. When I looked on page 61, what he was really quoting from was the year 2011, October 2011 to May 2012, which is an eight-month period. One of the things that you have to be careful of when you are quoting from the *Review of the Economy* is how the data is presented. The data is presented, first of all, in fiscal years and the last two columns which you probably realize, is eight-month periods.

2.30 p.m.

So that is where that 30 per cent decline that he saw came from. But I will speak to the whole issue of natural gas production. That figure, 30 per cent, is wrong and it came from a misunderstanding of how the data is presented in the *Review of the Economy*.

Madam Vice-President, there has been a decline from 2010—2012, but it is not of the magnitude of 30 per cent because, when we say these things, believe me, the international community picks up on this and it begins to cascade all over the world that there is a 30 per cent decline.

The decline, from 2011—2012, has been of the magnitude of 4 per cent if you compare 2010—2012, and not 30 per cent. That decline is not because we are running out of gas—has to do with natural gas curtailments as a consequence of the maintenance programme being conducted mainly by BP. I will talk a bit about that maintenance programme.
In late November 2010, BP entered into a maintenance programme of its assets off the east coast of Trinidad and Tobago. They have 13 offshore platforms, and they have receiving facilities on the south east coast of Trinidad and Tobago, and most of those platforms have been out there now for more than 10 years and, as a consequence, the company decided to go into this maintenance mode.

For this year—and I will be—because I know I will get a question on the Order Paper from Sen. Deyalsingh at some point in time, so I will give him the answer now. [Crosstalk and laughter] For this year, Madam Vice-President, for the period January to June of this year—I had the NGC check it—the shortfall has been of the magnitude 5.2 per cent to the Point Lisas Industrial Estate. But what we have been doing is that there is an unprecedented level of coordination between the Ministry, BP, BG, the Point Lisas Executive Association, Atlantic LNG and so on.

As we speak, two major platforms are down and I put out a press release on this, Madam Vice-President—I do not know if Senators opposite saw the press release—because we want to be as transparent as possible with regard to the nation’s natural gas supply. The first thing is that we do not compromise, at any point in time, power generation. So the first priority for gas is always power generation because we have to keep the lights above going, and we have to keep Trinidad and Tobago ticking.

So as we speak, Madam Vice-President, two major platforms are down for maintenance and they will be back up by the end of this month, and those platforms are the Kapok platform, which is a BP platform, and the BG Dolphin platform. So, Madam Vice-President, we are informed by BP that the maintenance programme will continue until early 2014, but the Ministry is working very closely with BP to ensure that it does not go much longer than expected, and we will continue those very serious conversations with BP in the year 2012/2013.

Madam Vice-President, the budget contained three fiscal provisions to stimulate exploration and production in the energy sector, and the first of these three was the harmonization of what we call SPT, or the Supplemental Petroleum Tax. SPT was introduced in 1981, and in those days I think the Minister of Energy and Energy Based Industries and Minister in the Ministry of Finance was Errol Mahabir. It was introduced at a time when the Iran/Iraq war had just broken out and the price of oil went straight through the ceiling. In those days the price of oil reached as high as $42/$43 a barrel and that was very high in 1981, and the then Government of Trinidad and Tobago decided that the country needed to capture more of that revenue and they introduced this tax called the SPT, which has been with us now since 1981.
There are two SPT rates for marine. There was what we call the pre-88 rate, which is 42 per cent, and there was a post-88 rate which was 33 per cent.

Sen. Singh: “Yuh lecturing, man.”

Sen. The Hon. K. Ramnarine: So, Madam Vice-President, the industry, for a very long time, has been lobbying for the harmonization of these rates. Forty-two per cent SPT is very onerous—it means then, the SPT comes off from your top line, from your gross revenue. So it means that your cash flow starts at 68 cents and then you have to subtract from that your cost and so on. So it was a disincentive to exploration and production.

In addition to that, we realized that since we are signing a new licence for Trinmar, Trinmar would have, in any event, been paying the post-1988 rate, because Trinmar is due to get its new licence any day now. So given all of that, the Government took the decision to harmonize the SPT rate at 33 per cent, and this therefore means a single SPT rate for the marine areas and, as I said, this is something the industry has been lobbying for a very long time.

Those two rates created a system which could be considered to be discriminatory and which impacted on the overall fiscal regime competitiveness of the Trinidad and Tobago energy sector, and it was done, again, with the view of stimulating the production of oil. Sen. Henry asked a question—which I had the members of staff from the Ministry here confirm: what was the revenue loss as a result of this harmonization of the SPT?

First of all, you have to remember the SPT is the top line, so even if you reduce the SPT, what you have is a greater volume of money trickling into the PPT pool, which is the petroleum profits tax, and these things are explained in the Petroleum Taxes Act. But the amount of revenue foregone as a consequence of this harmonization is TT $240 million, which we expect we will get back, because this is expected, and companies have already—one company has already booked a rig as a consequence of this. So we will get back that TT $240 million from the increase in oil production, which will mean more taxes and so on.

We also introduced a special SPT rate and that SPT rate is for new field development—to enhance economics of a new field development—or small pools and increase the competitiveness of the country’s fiscal system. That rate is 25 per cent and, again, you might ask, “Well, what are we losing as a consequence of that?” The answer is nothing, and I will tell you why. That 25 per cent only applies if you go after a new field. The alternative is that you do nothing. So, therefore, it is revenue that you would get, and it does not affect Minister Howai’s base revenue which he is getting from oil and gas right now.
Finally, the budget provided an uplift of 40 per cent on exploration costs, excluding exploration dry holes incurred in undertaking approved projects in deeper horizons. And for a very long time you talk to people in San Fernando in the oil industry, they will tell you, “Minister, below 8,000 feet on land there is a lot of oil.” What we want to do is to facilitate persons going after the deeper horizons on land and the deeper horizons offshore. So this is the thinking behind that.

So in summary, Madam Vice-President, 83,400 barrels of oil per day is where we are right now, and I do not want to make any promises because I realize that when we make promises the Hansard is always there to bear us out. But I would say, Madam Vice-President, that turning around oil production is not something that could happen overnight; it is something that takes time, and what was required was an understanding of the fiscal system, and I would—without sounding my own trumpet—say I have some basic understanding of the fiscal system. [Desk thumping]

Madam Vice-President, the exploration programme for the year 2013—and I would go back to our document here, the Review of the Economy—and in, I think it is Appendix II, page 55, our colleague, Dr. Lester Henry, when he was reading out the various subsectors of the energy sector that contracted, skipped service contractors—

Sen. Singh: He is skipping out now.

Sen. The Hon. K. Ramnarine: The reason for that might be, Madam Vice-President, that the services sector grew by 34 per cent in fiscal 2012—34 per cent, Madam Vice-President.

Hon. Senator: He did not mention that at all.

Sen. The Hon. K. Ramnarine: When I saw that anomaly—because you have all the other subsectors contracting, albeit small, and you have this major anomaly of a 32.4 per cent growth—being somebody who does not claim to know everything, I called some of the renowned experts in the industry to explain this 34 per cent for me, and you all referred—I heard reference being made to the energy services sector survey, which is a survey I used to email out and get responses for and collate. But that 34 per cent, I was told by one expert, is not a reflection of output; it is a reflection of activity, and there is—one would have to be blind not to see—a tremendous amount of activity taking place in the upstream side of the energy sector. [Desk thumping]
But what is the data to support that conclusion? The data, of course, is that 34 per cent. What underpins that 34 per cent is the activity, and they measure activity in the upstream sector by some metrics. One of those metrics is, first of all, you look at the amount of rigs that you have working. Right now there are six rigs working—I call them “on the water”—in the marine area. There are two rigs working for BP: the Rowan EXL II and the West Gaia rig. There is one rig working for Niko Resources, the Rowan Gorilla III, and there is a fourth rig working for Trinmar, a well services rig. There are two, what they call slant rigs, working for BP. So, six rigs overall offshore are in the water, and I am advised there are about four—possibly six—rigs working right now on land in south Trinidad, all going after oil and natural gas.

There was a story—I had the newspaper clipping somewhere here—in the Sunday—I think it was in the Express—about a company by the name of Range Resources. Range Resources is a company from Australia and they have been doing a tremendous amount of work in the Quinam/Morne Diablo area to revitalize oilfields that were left for dead. This is the article here. This article speaks about Range Resources’ success in Trinidad, and when we look at fiscal 2013 very carefully, in fiscal 2013 we expect that 19 exploration wells will be drilled.

Now, being a person who keeps a lot of data—which is obvious—I had to go and look at my files to see when last this country had 19 exploration wells being drilled in one year, and my data set, unfortunately, only went back to 2000, but there was no year that we drilled that amount of wells. So there is an unprecedented level of activity taking place. [Desk thumping]

Now, you look at what they call rig days, which is one of the metrics the Ministry of Energy and Energy Affairs keeps. In 2008—which was a good year—we had 2,690 rig days. That collapsed in 2009 to 744 rig days. It recovered a bit in 2010—1,132. Last year, 2,189. This year—and this is up to August of this year—we are already at 1,840 rig days. So we expect to surpass 2008 this year. Again, that is an indication of the level of activity taking place in the upstream sector. [Desk thumping]

Madam Vice-President, I will just give a brief synopsis of what all the major companies plan to do next year—well, fiscal 2013. BPTT plans to drill five development wells. Two of those wells will be in the Savonetta field and three in the Immortelle field. And as I said, they currently have two rigs working for them, the Rowan EXL II and the West Gaia rig. BG Trinidad and Tobago—and they have one of their top executives in the country right now, Mr. Martin Houston—will be
commencing the drilling of four wells to develop the Starfish field. That field—I think it has approximately 500 BCF of gas and that plan will be rolling out itself in the third quarter of fiscal 2013.

I want to put on record, Madam Vice-President, my congratulations to be extended to Derek Hudson, a son of the soil, for his appointment as the head of BG East Africa—-[Desk thumping]—Trinidadians, Madam Vice-President, brilliant people, working all over the world in the oil industry.

**Sen. Cudjoe:** And Tobagonians.

**Sen. The Hon. K. Ramnarine:** Sorry. Thank you very much, Senator. I apologize, and I will come to Tobago just now. I am coming to Tobago.

**Hon. Senator:** She is promoting.

**Sen. The Hon. K. Ramnarine:** No, no, no, really, I am coming to Tobago. Madam Vice-President, EOG Resources plans to drill three wells in fiscal 2013, and these include two exploration wells which will be placed on production upon completion and one development well.

Coming now to Tobago—and first of all, I have to talk about Centrica, because Sen. Shamfa Cudjoe will be familiar with Centrica—at least I hope so.

**Sen. Cudjoe:** Yes, I am.

**Sen. The Hon. K. Ramnarine:** Centrica Energy, Madam Vice-President, a relative newcomer to Trinidad and Tobago, entered Trinidad and Tobago in 2010. I think they came in here by acquiring some assets of a Canadian company called Suncor and, of course, assets were changing hands quite a lot in 2009 and 2010. They have interests, Madam Vice-President, in seven blocks surrounding Trinidad and Tobago, but the most notable of those seven blocks—

2.45 p.m.

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

*Motion made:* That the hon. Senator’s speaking time be extended by 15 minutes. [Sen. The Hon. G. Singh]

*Question put and agreed to.*

**Sen. The Hon. K. Ramnarine:** Madam Vice-President, Tobago, Centrica—the most notable of the seven blocks they have, is Block 22. The Senators in this Parliament, who are from Tobago, will be very familiar with Block 22. It is
probably the only block that has a bar named after it in the world. There is a bar called Block 22 in Tobago. Block 22 is to the west of Tobago, let us say the north-west of Tobago. The reserves estimate in there, and these conservative estimates, are 1.2 trillion cubic feet of gas. That is right now not connected to any infrastructure.

The Ministry of Energy and Energy Affairs has recently given Centrica the green light to proceed on what they call FEED. FEED is an acronym for Front-End Engineering and Design, for the development of Block 22 and what they call a midstream project. That midstream project is more than likely going to be a CNG facility that will be located in Tobago. I think the leadership of Tobago, from both the Opposition and the THA and so on, are familiar with this. Presentations have been done. What does that mean for Tobago? I will talk about Tobago in a bit of detail.

Madam Vice-President, I had the privilege of going on your television station in Tobago, Senators. Tobago is an island that is surrounded by hydrocarbons. To its north-west is Block 22, but to the east of Tobago are two blocks, Block 14 and Block 23(a), which are under production sharing contracts right now with BP. To the south of Tobago is the Angostura field. The Angostura field has been connected to Tobago to deliver gas to the Cove Estate. We expect that delivery of gas to commence sometime in the month of December 2012.

To the extreme north-east of Tobago, we had put out, in the last deep-water bid round, which I will talk about, two blocks: Block 28 and Block 29. Those blocks are on the border of Barbados. Those two blocks received bids from Cosmos and from BHP Billiton each. So there is a lot of interest about what is happening around Tobago in terms of hydrocarbon resources.

Tobago, therefore, has to position itself to prepare itself to become a major player in the natural gas industry. We expect that gas from Centrica Block 22 will flow into Tobago by the year 2017, which is a short—[Desk thumping] That investment, Madam Vice-President, for the benefit of the listening public and for the Senators in this Chamber from Tobago, that Centrica investment is estimated—right now we do not have a firmed up cost because they are still doing the FEED—to be anywhere between US$2 to $3 billion. That surely is the largest investment in the history of Tobago. [Desk thumping]

Madam Vice-President, time is against me and I will therefore move and skip some topics. I will come now to the deep-water bid round recently concluded. That deep-water bid round, which I took a personal leadership interest in, has been hailed as the most successful deep-water bid round in 14 years. [Desk thumping] It has been spoken about in the international press ad nauseam.
What we have done through a better understanding of the seismic—the very first note I took to Cabinet as a Government Minister in July 2011 was a note that sought Cabinet’s approval to reprocess all our seismic data over the deep water, because the feedback coming from the companies is that the seismic data that we had was not of a good quality and did not allow them to see the subsurface the way they wanted to see it. So all that data was reprocessed. We also looked at how we marketed the bid round. We put banners on international websites and so on. The result is that of the six blocks we put out, five attracted bids and the total amount of bids received was 12. Twelve bids in total.

Madam Vice-President, that compares to a bid round in 2006 by the former administration where they put out eight blocks in the deep water, they received one bid and that bidder walked away.

Sen. Al-Rawi: What year?

Sen. The Hon. K. Ramnarine: Two thousand and six deep-water bid round. So, Madam Vice-President, in 2013, very early 2013, we are in bid round mode at the Ministry because we believe that to arrest this problem of declining oil production we have to constantly be putting out acreage. Right now, as we speak, we are on the verge of putting together the packages for a land-based bid round in south Trinidad. [Desk thumping]

So we are putting out two blocks in the southern basin and those blocks would be put out by January 2013. That will be a joint effort between Petrotrin and the Ministry of Energy and Energy Affairs. The total acreage to be offered is approximately 200,000 acres which is perspective for what they call the mid-Miocene and the lower-Miocene Nariva and Retrench sandstone reservoirs. The potential we estimate is approximately 500 million barrels of oil comprising of individual accumulations in sizes ranging 25 million to 100 million barrels of oil.

Madam Vice-President, the acreage that we are putting out, just to put on the record, we are leaving Petrotrin with its producing acreage. We are leaving Petrotrin with the acreage over which it has shot 3D seismic. You have invested money, you are in infrastructure in seismic—[Interruption]

Sen. Hinds: I really hate to trouble you but on behalf of the people I felt obliged. Would you like to tell us, in the few moments you have left, what has become of Carisal, for example AUM II, SABIC and such projects that we spoke of recently, thank you—Reliance and so on?

Sen. The Hon. K. Ramnarine: Madam Vice-President, I was actually coming to that in my next section downstream. I moved from the upstream to the downstream in a very logical sequence.
So there is a land-based bid round. I now turn to the downstream, the AUM II project. The AUM II project, Madam Vice-President, is a project that was proposed by (MHTL) Methanol Holdings Trinidad and Tobago Limited. That project was given the green light by the Government in February 2011. Now almost two years have passed. I want to put on the record what the facts of that project are. Fifty-six per cent of MHTL is owned by Clico and 44 per cent is owned by a consortium called CEL which is three German companies: Proman, Helm and Ferrostaal.

There is a shareholders’ dispute. That shareholders’ dispute has found itself in arbitration. The arbitration was heard in London in June of this year and we expect the judgment from that arbitration to be delivered this month. That arbitration and that shareholders’ dispute has obviously cast a shadow over that project which is estimated to be US $1.9 billion. That project was basically on the starting block. The project has a CEC for civil works and the project has a gas sales contract, two of the most difficult pieces of paper to get before you start a contract. So we expect that once the judgment is delivered in the courts in London we would have a way forward with regard to that project, the AUM II project.

Madam Vice-President, the SABIC, Sinopec project: negotiations with SABIC and the NGC and the NEC have been delayed as SABIC has sought an independent assessment of natural gas reserves of Trinidad and Tobago and another round of meetings is carded for November 2012.

The Carisal project has been hampered by issues with financing, particularly from the Inter-American Development Bank, and we are working with all parties to see how the Government could facilitate that project. The Reliance project, Madam Vice-President—you see, I had it all listed. [Interruption]

Sen. Singh: It was at your fingertips.

Sen. The Hon. K. Ramnarine: The Reliance project has proposed a new model which is that they would use the heavy oil from Trinidad and Tobago as opposed to the bitumen from Colombia. We are currently assessing that model. [Desk thumping] Madam Vice-President, how much more time do I have?

Madam Vice-President: Five minutes.

Sen. The Hon. K. Ramnarine: So, Madam Vice-President, I do not have much time to wrap up. I would say that the downstream sector has been challenged by the state of play in the world. There are issues beyond our control, such as the arbitration that is taking place. There are other projects, which I do not have time to speak about, that we are currently assessing.
Madam Vice-President, in my 5 minutes that I have left, I will treat very quickly with the issue of the subsidy. The subsidy for fiscal 2012, as has been stated over and over, is TT $4.4 billion. Of that, $.7 billion is levy that is collected from the oil companies, so the subsidy liability is around $3.7 billion.

The Minister of Finance and the Economy and myself, in our deliberations on the budget, saw the need to tackle the subsidy. One of the strategies to do that of course is CNG. We are looking at other strategies. I want to say that methanol is being used as a fuel for transportation around the world. Methanol has a higher octane rating than the gasolines that we have here.

The Ministry of Energy and Energy Affairs will be working with the university to look at two projects in particular. One is methanol for transportation because we are advised that you could blend up to 10 per cent of your tank with methanol without any modification to the engine. The other one is we are looking at DME, dimethyl ether as a replacement for diesel. These are two research projects that the Ministry would be working on in this fiscal year with the University of the West Indies.

**Sen. Hinds:** [Inaudible]

**Sen. The Hon. K. Ramnarine:** Madam Vice-President, I do not have much time, so I cannot give way at this point in time.

**Sen. Singh:** Let him get up and speak afterwards.

**Sen. The Hon. K. Ramnarine:** The Ministry is also looking at the dyeing of diesel. A committee has been set up under the chairmanship of the permanent secretary to introduce a dye into diesel. I brought some samples of fuel but I do not have much time today to demonstrate. [ Interruption]

**Sen. Hinds:** We do not want samples, we want the real thing.

**Sen. The Hon. K. Ramnarine:** Madam Vice-President, with regard to minerals—and minerals is one aspect of the Ministry of Energy and Energy Affairs that we do not hear much about. In the year 2000—[ Interruption]

**Sen. Hinds:** Bring some samples with some black, thick oil.

**Sen. The Hon. K. Ramnarine:**—the then Government of the day, which was a UNC administration, passed an Act called the Minerals Act. To date, 12 years later, there have been no regulations for that Act—no regulations to mirror that Act. I wish to announce that the minerals regulations have been completed and are
Currently before the Cabinet and eventually will be made law. [Desk thumping]

One of the troubling aspects of that sector, which I will talk a bit more about in the Finance Bill whenever that debates comes, is the lack of regulation in that sector.

In closing, Madam Vice-President, I am sure I might have some injury time—[Laughter] [ Interruption]

**Sen. Hinds:** You sound badly injured.

**Sen. The Hon. K. Ramnarine:** —we have completed at the Ministry a draft Green Paper on energy policy which we expect to make public as a Green Paper by the end of the year after two public consultations.

The Ministry also intends to revise the local content policy on energy. I was speaking to a Senator before, in Ghana they have introduced a local content Bill before their Parliament. It is the intention of the Ministry to go out for a request for proposal, through the National Energy Corporation, for a new natural gas master plan.

So, Madam Vice-President, in the limited hour I had, that is what I had to contribute. There is quite a lot more that I could say, but time does not permit. I want to thank you Senators for their attention and wish them all well in the debate that follows. [Desk thumping]

**Hon. Senator:** Well done.

**3.00 p.m.**

**Sen. Shamfa Cudjoe:** Madam Vice-President, I wish to thank you for the opportunity to make a contribution today. I must say it is indeed an honour for me to address this honourable Senate once again, as I make my contribution to this debate on the Bill to provide for the service of Trinidad and Tobago for the financial year ending September 30, 2013.

Before I proceed, allow me to thank my political leader, the hon. Dr. Keith Christopher Rowley and the Deputy Political Leader Tobago Affairs, Mr. Orville London [Desk thumping] for affording me the opportunity to represent the great People’s National Movement and to serve in this honourable Senate. [Desk thumping] I give thanks to them and I admire them for the intelligent and inspiring leadership, despite the challenges. [Desk thumping]

**Sen. Al-Rawi:** Awwwww.

**Sen. Hinds:** Well said.
Sen. S. Cudjoe: I too want to join this honourable Senate in commending the Minister of Finance and the Economy on his maiden speech in the House of Representatives and his maiden speech here in the Senate. He would be remembered, not just because he is cute or he is new, but for presenting—[ Interruption ]

Sen. Al-Rawi: Take that, Larry. He is blushing.

Sen. S. Cudjoe: He is.

Sen. Al-Rawi: We appreciate you, Minister.

Sen. S. Cudjoe: It is unparliamentary, they say, but it is already out. I want to commend him on presenting his maiden speech in both places. He is going to be remembered for the same reasons I just mentioned and for delivering the third budget presentation and hopefully the last budget presentation in this inconsistent [Crosstalk] and incompetent People’s Partnership administration.

Madam Vice-President, God knows, the people of this country are fed up and sick and tired of this People’s Partnership administration and we cannot wait to vote them out. [Desk thumping]

Madam Vice-President, $58 billion, they call it—[Crosstalk] we are going to get to that. Sen. Tewarie wants to talk about the election in Tobago. Talking about the election in Tobago, do you know that on Saturday, the People’s Partnership, along with the TOP and all their friends, had a post-budget rally in Tobago? It looked like about 50 people showed up and—[Desk thumping and interruption]

Sen. Hinds: Listen, and 40 came from Trinidad.

Sen. S. Cudjoe:—I understand that they chartered the slow boat to bring over supporters. Madam Vice-President, Tobago only has blue-band maxis, we “doh” have yellow-band, red-band and green-band maxis. So, we know half the people who were there—[Interruption]

Sen. Hinds: Fifty people and 40 come from Trinidad.

Sen. S. Cudjoe:—were not Tobagonians, but anyway, we were told this year that this is a people’s budget. This is a people’s budget. Last year, the same thing, $54 billion and they came back to the Parliament two times for more money and they told us: “Okay, this thing is going to improve the quality of life for people and turn the economy around and so on”, the same thing the year before. So, this really is supposed to be a people’s budget for the third time and I am asking the question two years later, over $120 billion later, can we safely say that we are well on our way to prosperity and economic diversification as was promised?
Hon. Senators: No.

Sen. S. Cudjoe: And do we still, for those people who trusted them in the beginning, trust this Government to take us there?

Hon. Senators: No.

Sen. S. Cudjoe: A budget statement and all its supporting documents are supposed to be goodwill documents, in other words, they are supposed to say: “Trust me. Trust me to do these things that would benefit you. Trust me to do these things that would improve the economy.” This budget comes at a crucial time in our country’s history. This budget comes at a time when confidence and trust in this Government are at an all-time low.

Sen. Hinds: Oh yes. [Desk thumping]

Sen. S. Cudjoe: People have lost creditability for this Government and lawlessness has become the order of the day. The intelligence of our people has been disrespected and our institutions and due processes have been perverted in a most obscene way.


Sen. Hinds: “Well putted man, well putted.”

Sen. S. Cudjoe: That is so because the things that this Government had opposed before, they now embrace.


Sen. S. Cudjoe: The things that they would have promised they would not do, they now do, and the things they promised they would have never done have become the order of the day. [Desk thumping]

Sen. Al-Rawi: Tell them.

Sen. S. Cudjoe: When this Government took office they came in on a wave of hope and they were shouting “axe the tax”. They were down on the People’s National Movement for our tax regime and all that we were planning, the tax collection regime and so on—[Interruption] the tax collection authority, the Revenue Authority, thank you very much, and all these things were the worst things in the world and now they are embracing the same things.

You hear Minister Dookeran saying bring back the tax and he, all of a sudden, now supports this thing.

“Dookeran sees property tax comeback”
This is Ria Taitt, Political Editor of the Express. They told us, when they came into power, that there will be sick leave for CEPEP and URP workers. Now we have Minister Moonilal saying: “Get your skills and beat it.” We heard of a crime plan. In place of a crime plan, we get a gag order and “ah” SOE. We heard of freedom of the press and now we are hearing Ministers saying to Asha Javeed: “We know where you live and we know who you hang with.” We heard that labour protests will be a thing of the past—[Interuption]

Sen. Al-Rawi: Gone.

Sen. S. Cudjoe:—and just last week, in Tobago there are people who were fired from TTPost and they were told: “If you interact with the press, you are going to face much dire punishment.” Now, how much more dire can it get if I am already fired? This is why I am having trust issues with this Government as they present these goodwill documents before us and asking us for our support.

Madam Vice-President, firstly my concern is that the Minister would have presented the 2013 budget fiscal package as if 2010 and 2011 did not exist. [Desk thumping] There is no post-mortem as to what worked, what did not work, what we are going to tweak, what we are going to change and why we would have left these things behind.

Sen. Al-Rawi: Why?

Sen. S. Cudjoe: And now I hear new measures to be implemented. We do not have a schedule or guideline as to how and when, for instance the removal of the subsidy and the new development for GATE and the property tax, exactly when in the fiscal year? What can we look forward to? How do we plan our lives around this budget?

When the Minister would have presented his fiscal package, he passed the responsibility over to some of his other Cabinet Ministers to provide explanations for us and after the debate in the Lower House, we are still awaiting the explanation.


Sen. Al-Rawi: One man out of how many?

Sen. S. Cudjoe: Madam Vice-President, I will tell you why I am not worried about what the Government has to say today, because I listened to Sen. George speaking to Fazeer last week and he said: “The Opposition is going to say what they have to say. What dey say doh matter, cause we are going to go ahead and do what we ought to do, regardless.”
Madam Vice-President, I am speaking to the nation, through you. [Desk thumping] Yeah? I would go on. I would proceed. So, here we are with no road map, short on details, we are just expected to trust this new Minister, probably because he is new, probably because he is cute, but—[Interruption]

**Sen. Hinds:** He is the $10 million man.

**Sen. S. Cudjoe:**—I am not comfortable with just that.

I recognize today the clock is moving rather quickly. I want to just jump right into Tobago and if I have the time to come back to the other things afterwards I will, but I want to get my Tobago issues in the *Hansard* and I want to speak to the people through you, Madam Vice-President.

I cringed when the Minister of Finance and the Economy joined his Cabinet colleagues in announcing that the Tobago House of Assembly received well over the 4.03 per cent of the budget and it may seem every year that Tobago has to come to the Parliament to continue to discuss this and I am getting kind of tired of it, because I think that, 32 years into the Tobago House of Assembly and 50 years into the independence of our country we, by now, ought to know the law, we ought to know how the Tobago House of Assembly Act, especially as a Government that has all these aspirations and interest of governing in Tobago, like being in the Tobago House of Assembly, you should at least make yourself familiar with the rules and regulations and the provisions of the Tobago House of Assembly Act. I get kind of disturbed every time I come here and I have to constantly explain this thing and I do not think it is that they do not understand. Sometimes I think that they probably just do not care.

I am going to read from a newspaper article from today’s *Express*. It is called.

“Howai: Tobago getting more than 5 % of budget”

I want to quote from this newspaper article. It says:

“Speaking at the People’s Partnership post budget rally held in Tobago on Saturday, Howai said the officers in the Ministry of Finance and Economy advised him that the Government provided the correct amount to the THA…”

because there is some discrepancy as to if we got the right percentage. I would get to that a little later. But this is what Minister Howai had to say:

“‘When you include the money that the central Government spends in Tobago, Tobago gets more than the 4.03 per cent because in addition to the $2.3 billion that I mentioned in the budget, there is another $834 million which the central Government spends in Tobago through the different Ministries.”
Appropriation Bill, 2012  
Monday October 15, 2012

In total Tobago gets more than five per cent of the national budget. Don’t be misled into believing that the funds and resources aren’t there. The allocation which you have gotten is 21 per cent more than the allocation you got in 2009, so it is plenty more money that is coming into Tobago.’”

I think that this is a rather unfortunate statement, especially coming from a Minister of Finance and Economy, because the Minister ought to know, the Cabinet ought to know that when the Dispute Resolution Committee speaks about the allocation for Tobago being between the range 4.03 per cent and 6.9 per cent, they are speaking specifically about the Tobago House of Assembly. So, what you spend under your items for the sixth and seventh Schedule, that does not have anything to do with the Tobago House of Assembly and what is in the fifth Schedule. [Desk thumping] Coming back every year and trying to explain this thing and the Government probably pretending not to understand—[ Interruption]


Sen. S. Cudjoe:—I have to say it is that they do not care. If you go back to each one of my contributions you would see me constantly trying to explain this and I do not get it. I give up on trying to explain it to them.

Sen. Al-Rawi: Where is TOP?

Sen. Hinds: They do not care.

Sen. S. Cudjoe: Yes, true, Sen. Al-Rawi, where is the TOP’s voice on the Government side to try to give this information to the Government and to fight and defend Tobago’s position here? I thought that my work would have been easy, because when I was first appointed to the Parliament, there were five or six of us and Tobago was very happy that there were so many Tobagonians in the Parliament. They really believed that, okay, all of Tobago’s issues would have been talked about and it would have been smooth sailing, because we as Tobagonians have learned to fight and defend Tobago and this struggle, as Tobagonians, transcend all political lines.

So I am hearing the new temporary Senator shouting: “And what did the PNM do with the money?” I am going to get down to that because this is the same anti-PNM facets that were in the Tobago House of Assembly for 20 years. As a matter of fact, I am not going to take on these comments because I am talking to the country through you, Madam Vice-President. [Desk thumping]

Let me set this thing straight. I am not going to be distracted. First things first, the 2013 national budget is $58.4 billion or $58.8 billion. I am going to tell you why I said “or”. For the Minister to make a boast and say, well, Tobago received the most
money it would have received in the history of this country, yes, Tobago received the most money it would have received in the history of the nation because it is the biggest budget in the history of the nation. [Desk thumping]

3.15 p.m.

It is not rocket science. Twenty-five per cent of $100 is $25. Twenty-five per cent of $200 is $50. The percentage remains the same. When the amount increases, the allocation for Tobago is supposed to increase because it is the percentage we are operating by, so that is not rocket science. I have no idea who this Government thinks that they are fooling.

So, Madam Vice-President, the next claim the Minister made—this year’s allocation is 21 per cent per more than the 2009 allocation. Yes, that is true because this year’s national budget estimate is 25 per cent more than the 2009 allocation—[ Interruption]

Sen. Al-Rawi: Exactly!

Sen. S. Cudjoe:—estimate. So when the national pie increases, Tobago’s slice is supposed to increase with it. So you are doing Tobago no favour. So do not get excited. The oohs and the aahs are really uncalled for. Now, what you give to the Tobago House of Assembly is already stipulated by the DRC, Act No. 40 of 1996, so you are actually doing Tobago absolutely no favour with that.

Now, Madam Vice-President, I will tell you a little as to how this DRC thing came about. In the 1990s, Mr. Hochoy Charles—in the NAR—in the Tobago House of Assembly, would have done something like a coalition with the UNC in Trinidad. Mr. Panday and Mr. Charles were not getting along and Mr. Charles continued to complain about the allocation to the Tobago House of Assembly. So they went to the Dispute Resolution Committee and the Dispute Resolution Committee would have made these recommendations and placed it in the law that Tobago receive 4.03 per cent of the allocation.

Now, the legislation clearly states that that is for the Tobago House of Assembly. So the money that you spend in other areas, in other departments and divisions or other Ministries that you are giving to Tobago or spending in Tobago, there is no limit on that. There is absolutely no limit on that. So we could probably one day have a budget where Trinidad walks away with 80 per cent of the national pie and Tobago walks away with 20. There is no limit on what the Government could spend in Tobago. Yeah?

Sen. S. Cudjoe: So, Madam Vice-President, again I will say, this Government is doing us absolutely no favour.

Madam Vice-President, I want to tell you a little about a concern that I have when I say the budget is actually 58.4 or 58.5 and I am quoting from a letter the Chief Secretary would have sent to the Minister, and these are the concerns. The date of the letter is October 08 and the Minister is seen in the public domain saying that he is going to meet with the House of Assembly soon. I hope that we can really meet and thrash this thing out. It goes and I quote:

Dear Minister

Further to your presentation to Parliament of Trinidad and Tobago, Draft Estimates of Revenue and Expenditure for fiscal 2013, there are several issues stemming therefrom and of direct and immediate—

Madam Vice-President: Senator, just for the record for Hansard, could you identify the date and the author of the letter, please, just for clarity?

Sen. S. Cudjoe: Sure. The date of the letter is October 08, 2012. The author is Mr. Orville Delano London, the Chief Secretary of the Tobago House of Assembly, and it was sent to Sen. The Hon. Larry Howai, Minister of Finance and his address. Anything else you want to know?


Dear Minister

Further to your presentation to Parliament of the Trinidad and Tobago Draft Estimates of Revenue and Expenditure for fiscal 2013, there are several issues stemming therefrom and of direct and immediate concern to the Tobago House of Assembly and the people of Tobago that I wish to raise with you as follows:

Your statement to the Parliament, page 45, a budgetary allocation for the Tobago House of Assembly for fiscal 2013 of $2.356 billion, however, the draft estimates themselves indicate an allocation to the Tobago House of Assembly of $1.986 billion for recurrent expenditure and $349.95 million for development programme expenditures, making for a total of $2.336 billion. Clearly, both figures cannot simultaneously be correct.

When you read the documents and you check the estimates, they really are different. So there is some mistake.
Further, your statement, page 58, refers to total expenditure, net of capital repayments and sinking fund contribution amounting to $58.405 billion. However, the draft estimates suggest a grand total of expenditure amounting $60.860 billion and capital repayments and sinking fund expenses $2,282,599,920, leading to a grand total of expenditure less of the capital repayments and sinking fund expenses amounting to $58,579,173,641 which exceeds $58.405 billion in your budget statement.

So, there are some inconsistencies in the figures. The reason we would need to get these figures right is, if you are calculating 4.03 per cent of the figure, you have to be sure of what that figure is. There are inconsistencies in the statement and in the books as to what that figure really is. The Chief Secretary has asked to meet with Minister Howai and I hope that they would thrash that out so we could get this thing right, because when you calculate it on the first amount you get a figure of 3.98 per cent, but when you calculate it on the second figure you get the 4.03. So we really need to know which one it is and we really need to sort that out. [Desk thumping and crosstalk]

Madam Vice-President, I do not mind who wants to be upset with what I am saying. [Crosstalk] I am here representing the people of Tobago and speaking our business. [Desk thumping] When it is your turn to speak, Sen. Sherry-Ann, you will speak again. Yes, I will get to that. [Crosstalk]

So, Madam Vice-President, the Tobago House of Assembly Act, section 43, speaks to the things that the Cabinet needs in considering the budgetary allocation for Tobago. I want to share some of this with the honourable Senate so that the Cabinet can get an idea of what we are facing.

Section 43:

“In considering the estimates as submitted by the Chief Secretary, Cabinet shall give due consideration to the financial and developmental needs of Tobago in the context of Trinidad and Tobago and shall allocate financial resources to Tobago as fairly as is practicable, and in determining what is fair and practicable, the following considerations, among others, shall apply:

(a) physical separation of Tobago by sea from Trinidad and Tobago’s distinct identity;

(b) isolation from the principal national growth centres;

(c) absence of the multiplier effect of expenditures and investments (private and public) made in Trinidad;
(d) restricted opportunities for employment and career fulfilment;

(e) the impracticability of participation by residents of Tobago in the major educational, cultural and sporting facilities located in Trinidad.”

So these are things to be considered in giving the allocation. You do not have to stick to what was recommended by the DRC, just do not go underneath the 4.03.

I, after listening to Sen. Ramnarine’s contribution, would even like to add another one to the list, and that is to consider Tobago’s contribution to the GDP and to the economic growth of the country. [Desk thumping] I heard Sen. Ramnarine go on and on about how rich Tobago and environs was in oil. He spoke about Centrica, he spoke about the 1.3 billion in gas there, he spoke about Block 22, Block 23A, 1428 and 29, and, Madam Vice-President, would you believe when you look at the CSO report for 2012 under exploration and production for energy, there is no quotation stating that Tobago contributes in exploration and production of gas or any kind of energy.

We know that is not true because we could see the different companies operating from our homes; we see the lights out there in the water. So to say that we are not contributing at all to the energy sector—I want to call on this Minister of Finance and the Economy to really fulfil the commitment made by Minister Dookeran, as he was Minister of Finance then, to work alongside the Tobago House of Assembly—and I think nationally too for the CSO—to develop and improve our skills in collecting data and in having our own statistics and so on.

I remember when we were negotiating the EPA with the European Union we depended on the European Union to provide statistics for us. So we have to do better because we need to make evidence-based policy, we need to make informed decisions and make informed policy, and I think that that would go a long way as it relates to seeing how much Tobago really contributes to the economy of this country and how much revenue we really do bring in rather than just sticking to this 4.03 per cent. Because if you are developing Tobago or you are a developing country, at some point in time 4.03 per cent just will not cut it. So, I think we have some way to go in that, but Port of Spain and Scarborough must work together.

Now, Madam Vice-President, the Minister would have spoken glowingly about diversification and development and making investments in diversifying the economy to move the country forward and to get us off of depending on oil and gas and so on. One initiative stage that I really like that the Minister would have introduced is investment in film. I support that 100 per cent. I just would really like to see the film industry take on the task of doing movies and programmes to treat with crime and so on. I am sure that is in the line-up and I really look forward to seeing that.
As it relates to development and diversification in other areas, I want to say that development and diversification should not just be a Trinidad thing. When you look at the estimates and how much money is being invested in diversifying the economy in Trinidad, I think the same should be so for the economy in Tobago, rather than just trying to stick to this percentage. If we are really honest and truthful about Tobago being side by side with Trinidad, we have to make that investment and it cannot just be about “mamagu” and just talking.

So, Madam Vice-President, being a small island or the smaller island in the union, we face some other difficulties that Trinidad does not face. We are away from the main market; an investor might not be driven to go to Tobago to set up because it is a little bit more difficult. We have problems as it relates to infrastructure, technology and so on.

Even getting a flight to come to Tobago, getting the boat to come to Tobago and having these services run on time and so on, it is a significant hindrance to the Tobago businessman. So we need to improve the infrastructural development between both islands so that Ken Phillips or whoever creative—somebody from the creative industries who operates out of south Trinidad would find it easy to just take up and come to Tobago, so that we can get a piece of the pie and enjoy this diversification and this investment in the creative industries also.

Madam Vice-President, I listened to the People’s Partnership over the weekend and I heard them talking about—[Interrupt]

3.30 p.m.

Hon. Senator: “Yuh went to the meeting?”

Sen. S. Cudjoe: I listened. [Laughter] No, do not get it twisted, you know. In Tobago, we are all family. I might have a brother or a sister who is TOP. Do not get carried away with that at all. This lady, Sen. Sherry-Ann, is married to my cousin, “she doh even know, yuh know.” [Crosstalk]

Sen. Al-Rawi: And we welcome her, our Tobago sister!

Sen. S. Cudjoe: And we welcome her. At the end of the day when we leave here, no matter if we sit on different sides of the political fence, “all ah we is one family” as we say it. [Desk thumping] Madam Vice-President, we throw our blows across the floor.

Sen. Hinds: But she is the only TOP!

Sen. S. Cudjoe: I might be by her tonight or she might—[Interrupt] I might be by you tonight eating as I usually do so—[Interrupt]

Sen. Hinds: She is the only TOP in the family. [Crosstalk]
Sen. S. Cudjoe: Madam Vice-President, that is just the way it is. There is always mud-slinging and throwing talk across the floor, by the end of day, we all have to live there and sort things out together. We are family at the end of the day.

Madam Vice-President, I want to pay some attention—I want to draw your attention to the allocations as it relates to capital expenditure and the development programmes. When you hear people talk about, “Okay, Tobago got 3.3 billion or 2.3 billion”, most of it, at the end of the day, is in recurrent expenditure. If we are really talking about development and diversification, then we need to be looking at the development programme, how much money do we contribute to the development programme and, not just how much, Madam Vice-President, really taking a conscious decision as to, honestly within yourself, is this enough to make the impact that we want to make in Tobago?

I listened to Mr. Ashworth Jack. He made a speech and he said—[ Interruption]

Hon. Senators: Excellent! [Desk thumping]

Sen. S. Cudjoe:—“If ever”—“allyuh would wait on that”—[Laughter] “If ever Trinidad has a problem, they should be able to call on Tobago”, and that is very true.

Sen. Karim: He is related to you too? [Desk thumping and laughter]

Sen. S. Cudjoe: No, no, he is really not related at all. [Laughter] I would not be distracted because my time is going and I have real things to say, Madam Vice-President.

Hon. Senator: “Tell them, Shamfa, tell dem!”

Sen. S. Cudjoe: So in truth and in fact, if something happens in Trinidad, let us say there is a storm or so, we want to be able to call on Tobago. Just like if there is a storm or emergency in Tobago, we want to be able to call on Trinidad. So we should move to that point of development where we really are side by side, and we can truly lean on one another despite the size of the island.

Now, Madam Vice-President, if you really want a good laugh, I want you to look in the development programme book and look at the allocations for Tobago, and just see what we really are getting. For example, to build an administrative complex for the division of tourism, $1 million—[ Interruption]

Hon. Senator: What!

Sen. S. Cudjoe:—for our young professionals programme, $300,000.

Sen. S. Cudjoe: Yes, the scholarship programme—[Interruption]

Sen. Karim: How much for “Hoops of Life”?

Sen. S. Cudjoe: That is not true. That programme does exist.

Sen. Hinds: Do not get distracted.

Sen. S. Cudjoe: Anyway, Madam Vice-President, I am speaking to the country through you. [Continuous crosstalk] I will tell you about the young professional programme that was developed by the Tobago House of Assembly. I listened to the TOP and they said that this is a glorified OJT. I can speak about this because when I graduated from the university, I had the opportunity to work as an intern and as a consultant in the Inter-American Development Bank and at the OAS. The GATE does not cater to that; the OJT programme does not cater to that, and I was looking for funding because here I am with this wonderful opportunity to work alongside the chief economist of these organizations and no funding. I stayed in somebody’s basement for six months and I was not paid for the IADB internship.

Sen. George: “Nutten wrong with dat! Is a sacrifice yuh make!”

Sen. S. Cudjoe: “Yeah, it is ah sacrifice yuh made” but there are some people who cannot—who would have access to that opportunity, but they just simply did not have the money. While I could have gone to the bank or my aunt who would have sacrificed and sent me, there are people who have the brains and get these wonderful opportunities and are unable to do this.

Now, Madam Vice-President, while I was there, I had the ability to contribute to different projects to help the Caribbean region to lobby for WIPO and different intellectual property organizations to do projects in the Caribbean. So you do not actually have to be here to contribute to the development of your country. We can use diplomacy as a way to develop our country. So we have to really think outside of the box as to how we make our investments in our young people. [Desk thumping]

Madam Vice-President, from that experience, I had the opportunity to write papers on behalf of the IADB and to work with the OAS, and to come back home and to give of my service. I never benefited from GATE, I never benefited from the Tobago House of Assembly funds, but I had that devotion to come back to my country, and there are many other young people like me who get the opportunity but just do not have the funds to even rent somebody’s basement. [Crosstalk]

Sen. Al-Rawi: So the $300 is contemptuous!
Sen. S. Cudjoe: So, Madam Vice-President, $300,000—[Crosstalk]

Sen. Hinds: “What ah shame!”

Sen. S. Cudjoe: That is not true.

Sen. Al-Rawi: In the biggest budget, it is a shame!

Sen. S. Cudjoe: You need help. Three hundred thousand for this programme. The scholarship fund: $200,000 for scholarships.

Sen. Al-Rawi: Shame!

Sen. S. Cudjoe: Two hundred thousand, Madam Vice-President.

Sen. Al-Rawi: “What the TOP said?”

Sen. S. Cudjoe: When you compare the figures to the figures in Trinidad, you really see—[Interruption and crosstalk]

Madam Vice-President: Hon Senators, I would ask kindly that you allow Sen. Cudjoe to make her contribution in silence, please.

Sen. S. Cudjoe: Thank you, Madam Vice-President. When you look at the size of the national pie and the amount of money that was allocated to Tobago to do these projects, you ask yourself: can this really happen? Is this possible? How do you run a scholarship programme on $200,000?

Sen. Al-Rawi: What did Ashworth Jack say about that?

Sen. Hinds: Forget him, forget him!

Sen. George: “Doh distract her please.”

Sen. S. Cudjoe: For at least the last 10 years, the Assembly, despite the allocation, would have spent at least $80 million in sending over 1,500, 1,600 young people to school. So, despite the allocation, we cut and we contrive and we try to make things work.

I am going to move on to the next point. I just really want to say how much diversification and development can you really get from the money that is allocated? So we do not get sufficient funds for our development programme. We have not had the opportunity to borrow. When you look at building the administrative complex and so on, when you look in the development programme book, Madam Vice-President, look at the estimates. They are giving you $500,000 to build an administrative complex. You look at $500,000 to build a mall. In today’s day and age, $500,000 can barely build a proper home.
Sen. Al-Rawi: “Cyah pay one fee in the attorney general’s [Inaudible]”

Sen. S. Cudjoe: So we have to look at this thing realistically and honestly and say, “What I do not want for Trinidad, I cannot want for Tobago”. This is the position the Tobago House of Assembly is in. We do not get enough money for our development programme, we have approached the Minister of Finance and the Economy asking for the ability to borrow and we have been deferred, not just this Minister of Finance and the Economy, the Minister of Finance before. [Continuous crosstalk] We got acceptance from [Inaudible] to borrow $700 million to assist with development programmes and the Minister of Finance just plain said “No”. So you are not getting enough money for your development programme—[Crosstalk]

Sen. Hinds: “Is starve dey want to starve yuh in Tobago!”

Sen. S. Cudjoe:—and you in Trinidad know accountability, right—and you are not allowed to borrow. Now, in addition to that, they want you to spend all your balances.

Now, I would direct this Senate to section 48 of the Tobago House of Assembly Act that gives the Tobago House of Assembly the opportunity to use finances that were not expended in one fiscal year to use in the next fiscal year. You hear Sen. Moheni and everybody talking about unspent balances and that has been a principle in the Tobago House of Assembly. We have that provision in the Tobago House of Assembly Act. We have been doing this since the days of Ashworth Jack, Hochoy Charles and ANR Robinson and it is something that is going to continue.

I will give you an example. Madam Vice-President. Last year—because this is not just about the quantum of the money—we were allocated $20 million in recurrent expenditure that up to June of this year the Chief Secretary was still writing the Minister of Finance and the Economy trying to get the money.

Sen. Hinds: What!

Sen. S. Cudjoe: What do you do? Sit on your hands and wait for the money to come? If we did not have unspent balances from the previous year, how are we going to complete these projects?

Sen. Hinds: Starving Tobago!

Sen. S. Cudjoe: How are we going to run these programmes? With the same unspent balances that they complained about, we have built schools, health
centres, pavilions. [Desk thumping] I have a whole list here of things that we have done on unspent balances and I can go on and on.

**Sen. Al-Rawi:** Tell us! Tell us!

**Sen. Hinds:** Tell us what you have done with it.

**Sen. S. Cudjoe:** We have acquired the Lambeau Heritage Facility. We built the Mount Grace Pavilion, the Black Rock Pan Theatre.

**Sen. Moore:** Scarborough RC.

**Sen. S. Cudjoe:** Madam Vice-President, to understand where we are right now, you have to understand where we come from. We come from a time and a place where for 20 years in Tobago—[Interruption]

**Sen. Moore:** Scarborough RC.

**Sen. S. Cudjoe:** Thank you for saying Scarborough RC because when you look at the different allocations for Scarborough RC, you are seeing $200,000. Two hundred thousand dollars cannot do much, so good for you. Madam Vice-President, fishing facilities; [Desk thumping] we have lighted 16 courts; we have built and refurbished 30 community centres, three new primary schools. In the 20 years under the anti-PNM facet, we had not seen a new primary school and people were not sent to study and so on. [Desk thumping] You could not go to study unless your parents were very wealthy, have a business or something like that. Now, the Tobago—[Interruption]

**Sen. George:** That is not true!

**Sen. S. Cudjoe:** Madam Vice-President, Sen. George is telling me that that is not true. I can speak from my own experience—[Interruption]

**Sen. Hinds:** Ignore him!

**Sen. S. Cudjoe:**—and from the people from within my year group. I can tell you even the very same Dr. Delmon Baker, Member for Tobago West, when Mr. Orville London assumed power in the Tobago House of Assembly, he was in St. George’s University wanting funds, they had left them there and it is that People National Movement Tobago House of Assembly, that sent him [Desk thumping] and got him out of St. George’s University. [Desk thumping]

**Sen. Hinds:** As always!

**Sen. S. Cudjoe:** I speak of what I know and of what I have experienced so I cannot be bothered with the dissenting voices. The truth; that is what I was sent
here to speak, the truth. Madam Vice-President, of course there are going to be a few, but I would not be distracted by yellow seagulls.

We have applied to the Ministry of Finance since 2010 to designate Cove, the same Cove that Sen. Ramnarine is speaking about with the gasoline pipeline and so on, which was a People’s National Movement project. Madam Vice-President, not simply asking for Cove to be designated a special development area, nothing from the Ministry of Finance and the Economy. So you are in a position where your projects are not funded, you cannot borrow and they want you to spend out all your money and end up in the same position that Hochoy was at the feet of Basdeo Panday, but over our dead body in this Tobago House of Assembly; [Desk thumping] not the People National Movement in the Tobago House of Assembly. You will wait to see that! We are smarter than that!

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

Motion made: That the hon. Senator’s speaking time be extended by 15 minutes. [Sen. F. Hinds]

Question put and agreed to.

3.45 p.m.

Sen. S. Cudjoe: Thank you. [Desk thumping] Thank you. Thank you, Madam Vice-President. As I was talking about the allocations and so on, I want to impress upon this Minister, as he is new, that Tobago’s development as it relates to the allocation is not just about coming to the Parliament and saying, “I allocate this amount to the Tobago House of Assembly.” On one hand you have the Minister saying, “I would give this amount of money”, and then like last year we did not receive the money until—up to June, July, we had not received the money.

I listened to this year’s budget, the budget debate in the Lower House, and when the Members for Tobago East and West were supposed to be talking to the Minister, negotiating with him to try to avoid that problem happening again, I heard the Minister of—well the junior Minister now, she was demoted, Minister Vernella Alleyne-Toppin, cautioning, cautioning the Minister of Finance and the Economy saying and I quote, this is page 4 of her contribution, asking the Minister to:

“…be extremely mindful of the fact that most of those funds…will go to buying votes for the 2013 January election.”
Sen. Hinds: “Oh gosh, dat coming from a Tobago MP?”

Sen. S. Cudjoe: “So you…have to monitor very closely and very carefully the allocations of the THA.”

Now, Madam Vice-President, this is Minister Vernella Alleyne-Toppin, Member for Tobago East. She was sent to Trinidad to represent the interest of the people of Tobago. Now, this is the Minister, telling the Minister of Finance and the Economy to “watch how yuh giving Tobago money, dey going to spend it on votes.”

Sen. Hinds: Oh, my God!

Sen. S. Cudjoe: If I remember clearly, earlier this year this is the same Minister Alleyne-Toppin who was on a channel 5 interview saying: “Who have more corn feed more fowl.”


Sen. Al-Rawi: “Nah!”

Sen. S. Cudjoe: “Who have more corn feed more fowl.” I cannot believe that this is the same Minister saying: “Watch dem as dey spend public funds.” Who is monitoring her as she swiped our credit card?

Sen. Hinds: Ohhhhhhh! [Desk thumping]

Sen. S. Cudjoe: I do not think that that Minister has any moral authority to talk to anybody about fiscal management and managing financial funds. Now, I will tell you another thing. As far I as am concerned, “dah Minister” should have been fired.

Sen. Hinds: Yes, she was fired, but “dey jus give her a job”—[Interruption]

Sen. S. Cudjoe: But she was demoted, they give her a little—keep her in the Cabinet—[Interruption]


Sen. S. Cudjoe:—give her a little hush money, knowing that this person is not fit for the job. [Interruption]

Madam Vice-President: Senator, kindly withdraw that statement about Mrs. Toppin. [Crosstalk]

Sen. S. Cudjoe: Okay, I withdraw! [Crosstalk]
Madam Vice-President: Thank you.

Sen. S. Cudjoe: I withdraw! But, Madam Vice-President—[Interruption] I withdraw! I withdraw! [Crosstalk and interruption]

Sen. Hinds: Just continue. You continue. You continue your contribution. [Crosstalk and interruption]

Sen. S. Cudjoe: This is just a playing of musical chairs. It is the same thing. I want to commend Sen. Baynes, if he is looking on today, for his service in the Senate; [Desk thumping] I enjoyed my time here debating with him. I understand that now they have played a little musical chairs and he is now the advisor to the Minister of Justice.


Sen. S. Cudjoe: He could have been the Minister of Justice because, if you are good enough to be the advisor to the Minister of Justice, then you could have been the Minister of Justice.

Sen. Hinds: “So, they fire him from the Senate and make him the advisor?”

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

Sen. Hinds: “Oh goood! Is so?”

Sen. S. Cudjoe: So, allow me to proceed. So as I was heading down BOLT, they do not want you to—you do not get “fund” properly.

Hon. Senator: Funded.

Sen. S. Cudjoe: You do not get funded properly. Same thing.

Sen. George: No Ministry does.

Sen. S. Cudjoe: Right, no Ministry does, but the Minister of National Security asked for $4.2 billion and got $5.5 billion. [Desk thumping and interruption] Anyway, Madam Vice-President, I am speaking to the nation through you. So there is a lot of noise being made about this BOLT transaction that the Tobago House of Assembly has just entered on the Milshirv project. Now, you are not allowed to borrow. You are not funded properly to build administrative complexes. The Tobago House of Assembly has been renting left, right and centre. [Crosstalk] Even the Division of Agriculture, Marine Affairs Marketing & the Environment has been renting all over the place. You are not given enough money to build. [Crosstalk and interruption]
Madam, Vice-President, when Sen. Rollocks-Hackett has the time to speak, I am sure she will. I am trying to hear myself. My 45, I do not mess with my 45, because “I doh interrupt nobody else”. I would just like to have the chance to hear myself and to speak. Thank you. [Desk thumping]

So, Madam Vice-President, the whole BOLT situation hit the fan a couple months ago; it is only now that it is resurfacing. From the time this thing hit the fan and went all public and everybody is talking about it, the TOP was in the public domain saying: BOLT is a terrible thing and it is not good use of public funds and so on. I watched the channel 5 High Five, the Monday, so nobody could tell me no. I know of what I speak.

Every time they come out with an argument we would say okay, well, BOLT is something that was used by the Government before. BOLT is something that is very normal and legitimate. If you are supposed to build an administrative complex, how are you going to finance it? [Interruption] Madam Vice-President, we have been renting left, right and centre. There are many projects that have been undertaken by both administrations, PNM and UNC, [Interruption] that were financed by BOLT. [Interruption] The Unit Trust Corporation’s head building, the Ministry of Works—[Interruption]

Madam Vice-President: Hon. Senators on both sides, Hansard is having a little trouble listening and recording the contribution by Sen. Cudjoe. Could you all kindly let her finish in silence? Thank you.

Sen. S. Cudjoe: Yes, Madam Vice-President, one of their arguments was the Tobago House of Assembly owns Friendship Estate; they could have built on Friendship Estate. Well, I wish to inform this Government—for I know more than the third time, because I am always saying this in my budget and other appropriation contributions—in 2009 and 2010 under the People’s National Movement, we would have acquired Friendship Estate and the racing club land. All that is left is for this Government to pay. Up to 30 months—the last time we spoke to Minister Howai, no payment was issued for Friendship Estate and so on.

Sen. Hinds: Not even $10 million?

Sen. S. Cudjoe: So you cannot go on the people’s land, you will get an injunction. So as much as we have gotten to acquiring the land, we have not paid for it. It is not the Tobago House of Assembly’s, and we are still awaiting the Ministry of Finance and the Economy to make these payments. If he has, then I hope he will in his closing up, but up to June when we closed, I was still asking the Minister to pay. We explained to them the land is not ours.
Madam Vice-President, yet I hear the Member for Tobago West is making
pronouncement of launching the Government’s energy platform from Friendship
Estate. How do you launch a platform from Friendship Estate when you do not
own it? We have chosen to go intonbsp;[Interuption]


Sen. S. Cudjoe:—the BOLT agreement; it saves us rent money. We have been
renting all over the place. We have even been renting from the relative of a
Government Minister, and I think that it is high time for the Tobago House of
Assembly to build its own property. [Desk thumping] And I wonder—if you
would not finance it, you have to find a way to do it through the same
public/private partnerships that the Minister of Finance and the Economy had
been talking about. [Desk thumping] He spoke about a build-own-operate. Did
you not hear that in the budget presentation? It is good for Trinidad, but it is not
good for Tobago.

Hon. Senators: Aghhhhhhh!


Sen. S. Cudjoe: I do not know if it is all a ploy to corner the Tobago House of
Assembly so we are going to keep renting and renting and renting from relatives and
friends of the Ministers of Government, [Crosstalk] but it is about time for the Tobago
House of Assembly to own its own. We have chosen a BOLT agreement, just like many
times the UNC and the PNM have chosen a BOLT agreement, and we shall proceed, and
we are not afraid of any investigation. [Desk thumping]

Sen. Hinds: Ohhhhhhh!

Sen. S. Cudjoe: So before the Tobago House of Assembly does any project, we
get independent, technical and professional guidance. So you can go to Peter Ford and
his company and Hamel-Smith and their company who would have advised the
Tobago House of Assembly in this deal, Madam Vice-President.

When the chairman of the Tobago Organization of the People came to the High
Five interview they said: “We have no problem with BOLT.”

Sen. Al-Rawi: “Nah!”

Sen. S. Cudjoe: When Mr. Ashworth Jack, Leader of the Minority was called to
the House to say—the executive of the Tobago House of Assembly said, “let us discuss
this in front of the people then”, “yeah,” and Mr. Ashworth Jack stood and said: “I
have no problem with the BOLT arrangement.”
Sen. Al-Rawi: “Nah!”

Sen. S. Cudjoe: So, Madam Vice-President, I do not understand what all this is about, and not just that. After saying that he left, just like most of the Tobago House of Assembly sittings. I am like, if you want to be the chairman or the Chief Secretary of the Tobago House of Assembly, you would at least sit in and listen to the sittings and discuss Tobago people’s business because that is what you were placed there for.

Anyway, I see in the newspaper today the Prime Minister pulled a section 34 on us, where she pulled out one part of the BOLT agreement and saying that the building goes back to Milshirv after, and that is not so. That provision speaks to if the Tobago House of Assembly breaches the contract—[ Interruption]

Hon. Senators: Ahhhhhh! [Desk thumping]

Sen. S. Cudjoe:—just like if you do not pay your rent, then the property is not yours. So anyway, I just want to say before my time ends, “it had” so many things I wanted to talk about, but I was—[Crosstalk] Madam Vice-President, how much time do I have?


Madam Vice-President: Two and a half minutes.

Sen. Beckles: “Yuh have plenty time, man.”

Sen. S. Cudjoe: Okay. There is something I want to talk about: constitutional reform. I heard Minister Howai and the Prime Minister speak about constitutional reform was going to be discussed in this Parliament, and I want to say that Mr. Ashworth Jack is being quoted in the newspaper. This is called:

“Ashworth warns Rowley about refusing to support Tobago” And here in this report, Mr. Ashworth Jack is saying to Dr. Rowley, “I hope that you are prepared to support the Tobago House Assembly constitutional reform paper.” I want to put on the—I heard the Prime Minister make that announcement again on the TOP platform.

Madam Vice-President, it seems to be the intention of this Government to bring this Green Paper to the House that they know Tobago people do not want. [Crosstalk] We would have collated our 6,000 signatures and sent it to the independent body, the independent committee of which Sen. Christlyn Moore was a part when she was independent and now she is TOP.
Tobago has already “stand up” and objected to the provisions of that Green Paper, Madam Vice-President, and it seems to be the plot of the Government to bring it to the Parliament, and the People’s National Movement is not going to settle for any substandard provision where the cover says internal self-government but the inside screams modern-day slavery.

Hon. Senators: Ohhhhhhh!

Sen. Hinds: Oh God! [Desk thumping]

Sen. S. Cudjoe: We are not prepared to vote for that. I want to say to this country that if—and to the Members of the Government, if you do not give us what we want, how we want it, then we will determine what would be done. We Tobagonians are fighters, we are born fighters.

Sen. Singh: “You declaring war?”

Sen. S. Cudjoe: No, no, no, no. No, no, no; never, ever, declaring war. [Crosstalk] No, not even a suggestion. [Crosstalk and interruption] I am not talking to you. [Sen. Cudjoe motions to Senator] We are going to stand up for what we want and we are going to fight until the victory is won, Madam Vice-President. We will not settle for anything substandard, and we would not be victimized or made slaves in our own space by any United National Congress party.

On that note, Madam Vice-President, I thank you. [Desk thumping]

Sen. Hinds: Well said, man. Well said. [Desk thumping]

4.00 p.m.

Sen. Corinne Baptiste-Mc Knight: Thank you, Madam Vice-President, for allowing me this opportunity to contribute to this debate on the Appropriation Bill, 2012.

I want to start my contribution by asking a question about the voluminous documentation that we receive in a nice carryall that would perhaps be more useful than what was in it. Allow me to ask: is there a system by which the documents that we are given are thoroughly reviewed by someone? If they are supposed to be the definitive expression, I have a problem.

In the PSIP, at section 203, there is mention of what has been done in the 2011/2012 period by the new Ministry of Gender, Youth and Child Development; but then, when we go to 2013, there is absolutely no mention of that Ministry, so I was very happy to come and see the Minister here today. I thought, perhaps, that
Ministry had again been dissolved because all of the projects that were mentioned in 203 as having been initiated by the Ministry were now being continued by the Ministry of the People and Social Development. I realize, since the Minister is still here, there must be a problem with the document.

Then, there was the document, draft estimates of expenditure, which, I think, purports to identify the establishment of each Ministry; but then I note that, under the Ministry of Education, there are posts of two vice-principals for a number of junior secondary schools. I was of the impression—and I am sure that I was not mistaken—that these had been deshifted; they were now just secondary schools. So my question is: do they still need, do they still have, two vice-principals each?

I note Teachers Training College and two technical schools are still complete with establishments in the document—does not make sense to me.

The Ministry of Foreign Affairs, I know for a fact, has a functioning resident embassy in Costa Rica. There is no establishment for that in the document.

Then I go to the Consulate General in New York and I see that its complete establishment is eight people and I get worried because, for the last months, we have been regaled with the fact that eight people had been fired from there.

So I ask myself: what is the purpose of this document? Am I supposed to believe what I see in it? I recognize that it is supposed to tell us what the fixed establishment of the public service is, but should we not really be given a real time account of the personnel who are paid, whether fixed, contract or temporary, to execute the budget of the country?

I would like to suggest that a little more attention is paid to that aspect of the budget presentation because it takes up a lot of time to read all these documents and it is extremely confusing to have to keep rereading to try to make sense out of some arrant nonsense.

Let me proceed, Madam Vice-President, to the substantive comments on this people’s budget. What I really try to look at is to see exactly how this budget is going to promote or affect the development of the people and I note that the hon. Minister of Finance and the Economy told us that the education sector is the champion for people-centred development and I believe this is how it should be.

Now let me deal with a part of that in the budget. I note that the Ministry of Education has been granted $600 million in addition to what it had last period; but then I note that the item “Grants to Secondary Schools” is reduced. Two sub items down is a new item, “Grants to Private, Primary and Secondary Schools”. This has me bothered; but I promise you I shall raise that question elsewhere to get a complete response.
Let me deal with the reduction in the grants for secondary schools. Now, for about the past six to eight years, every year these schools—the secondary schools—got a grant of $300,000 for minor equipment. Now this is money that they use to pay ancillary staff, in the case of the assisted schools, for minor repairs. Sometimes they might be a little better than minor, because if it is a plumbing problem, it is not always minor; and mainly to provide consumables for the good running of the school.

Now that amount was reduced from $300,000 to $100,000 for the year. The problem about that is that they are not even likely to get it before between March and June of next year. I ask myself: does this contribute to the development of these children who are supposed to be our future when they are likely to suffer from the lack of the consumables that they need in order to function for the academic period?

Now, the hon. Minister of Education boasted in the House, in his contribution to the budget, that the CVQ was being introduced, mandatory, in Forms 4 and 5 in all secondary schools. Now, the CVQ, as my colleague, the hon. “Minister of Test” explained to me, is a functional, practical qualification. We have had a system of grammar schools, comprehensive schools and composite schools. Most of the assisted schools would have come into the category of grammar schools, which means that even though, in the case of some of the boys’ schools and the mixed schools, they offered woodwork, agri science and those sorts of subjects, they did not equip themselves to offer vocational subjects, so that when there is a mandate that says you have $100,000 which can only be spent, not on preparing for, but on offering at least one area of CVQ to every pupil in fourth and fifth forms, clearly somebody does not understand the implications of this.

I tried to go on the Net and find out exactly what is involved in offering the CVQ, and I find that for Level 1, which is what we are talking about in fourth and fifth forms, in any area, there are between 14 and 18 required units and at least an additional five elective units, in order to complete Level 1.

A rough calculation would say that this would require at least two hours a week per subject. Now where will that fit into a syllabus that was set from the beginning of the school year; that was set to accommodate CSEC or CXC, or whichever exam they were doing, and CAPE? So that parents are now faced with the fact that, at the end of Form 3, you select your subjects with your child and then in Form 4 you are told: “you know what? Your child has to do a vocational subject as well.” As a parent, I would have no objection to my child doing woodwork, floral arranging or whatever, but you have got to take into account: is the school prepared to offer it?
The Ministry of Education is providing no addition to staff. The curricula for these 61 CVQ options—non-existent; the physical resources, except in the case of the composite and comprehensive schools, do not exist. I look to see whether, perhaps, if you are doing cookery, home-ec, you can do a hospitality CVQ. When I look at the hospitality CVQ, Level 1 is laundry, front office. I said, okay, food and beverage, and I look at it and I see that food and beverage is bartending, and somehow I get the impression that alcohol is not allowed in schools. So we have got to be serious.

Are we trying to develop and help these children, or are we going to throw, another obstacle in their way? If, in addition to your eight or nine O-levels, which some of them are taking—CXC sorry—you now have to do flower arranging and something else, I think this is a problem and I really need the Minister or someone to answer for me: when will the schools be provided with what they need in order to do this? If not—because this was supposed to start from September and we are in October now—I think that something needs to be done about that.

While I am on the subject of education, the education facility has been in the news and I have no compunction about adding to their problems because I know for a fact that the Bishop Anstey High School, near NAPA, has had some renovation work done to a classroom—very nice—and a new classroom was built on top of it.

4.15 p.m.

Work ceased and it looks very nice from the outside, since during the 10/11 school year. For the whole of the last school year, they had no access to this new school room because CVQs had not yet been introduced, and there is no CVQ model for levitation, and there is no staircase. [Laughter] So, it is room for rent, like a lot of the brains, with no staircase. So, what I am asking for is the staircase so that that room can be used.

Since nothing has been done about it yet, I would like to add my usual plea that the school nutrition service be allowed to upgrade the children from the ergonomic spork to proper eating equipment. One, and two, that the Minister of Health or somebody intervene and reduce drastically the quantum of sugar in the drinks that they have. If you cannot do that, give them plain water. We are facing an epidemic, a crisis of obesity in our schools, and that must stop. [Desk thumping] Plain water would do.
I listened to the Minister of Sport, and he said that one of the things that he wants to do is to introduce a coach into every school. Please! Through you, Madam VP, help the Minister of Education to introduce, if he “cyah” find a coach, a games mistress or games master in every school—get the children moving and give them less sugar and flour.

Let me turn to tertiary education. I am glad to see the Minister who will be the object of my problem here with me.

Sen. Karim: “It have no problem, only solutions.”

Sen. C. Baptiste-Mc Knight: Our GATE is being abused. I suspect that this is the result, not as much from deficiencies in the execution of the policy as from the casual and inefficient approach to its administration, both by the Government and the institutions which receive the students. But indeed, there are also some of the students who are a little less diligent than they could be. However, that said, I think we must realize that our existing academic environment is not, generally speaking, conducive to success. It starts with the lack of effective student support services and career guidance in the school system.

Add to that the fact that very few of our tertiary level students enjoy a supportive familial environment. Most of them are self-supporting, working people with dependents, and very often with young children, and they are trying to adjust to the competing imperatives of work, school, family responsibilities, and this in an environment where library facilities in the tertiary institutions are woefully inadequate, which results in their inability to access their study materials easily and in a timely manner. They cannot afford the books.

Books for any tertiary level student—in any year—run into a couple thousand dollars. Add to that the fact that transport is not always easily available and costly. That adds to the challenge. Financial assistance, HELP, is available but hardly accessible to all. Given the confluence of these circumstances, and a shortage of mentoring and psychological support—is it surprising that we have a substantial number of dropouts and failures among the GATE participants?

Government says it wishes to achieve a 60 per cent enrolment in tertiary education. I wonder whether it is really an enrolment or a 60 per cent graduate component of our population. In case it is the latter, I would wish to offer some suggestions to ensure that these—and those are the words of the Minister—students maintain the minimum GPA. I would ask the committee—I understand there is a committee to enforce the student performance policy—
to consider improving the library facilities in these tertiary education establishments;

perhaps, consideration could be given to expanding the URP social, to provide child care between the hours of 6.00 a.m. and 10.00 p.m. at or around the tertiary institutions at a moderate cost [Desk thumping] and

have PTSC provide service from tertiary institutions to the hub, and have these buses in service until at least 10.00 p.m.

When a student leaves COSTAATT and goes with the COSTAATT shuttle to the PTSC terminal, buses are no longer running. This is not a public transport service.

Madam VP, let me, for a minute, talk about our graduating scholars. Now, we have young people who are awarded scholarships by Government on the basis of their achievement in the CAPE exams. [Crosstalk]

**Sen. Hinds:** Mr. Ganga Singh is—[Inaudible]

**Sen. Al-Rawi:**—and merit!

**Sen. C. Baptiste-Mc Knight:** These get—this is exactly what I said. There are others who get scholarships on the basis of defined needs in the Ministries. These are development scholarships—these are people who are expected and who expect, upon graduation, a job, an appointment. What happens?

All of the graduates stop getting their allowance in June. This is when they write exams; July, August, September. There is very little communication with anybody, and then early October they are brought to induction in the Ministry of Public Administration. Now I said, they are all government scholars but two different sets of people. They all have signed to work with Government for three years. So what happens? They are all told that they will be given two-year contracts on something that is the equivalent of a professional OJT.

Now, the fact that their contract is two years, but they have signed on for three years, I wonder whether it might be breach of contract. But then the AG would remind me that I am not a lawyer, so perhaps I am a little out of my league, but there is a difference between two and three, right? But anyhow, this might just be to the advantage of the people who get government scholarships on the basis of CAPE, but the people who get scholarships in things like psychology that were offered by the Government on the basis of the needs of the departments, the Ministry of Education has had two psychologists on its establishment for God knows how long, God only knows how often they have had both of those
positions filled. Ministry of the People and Social Development in its different incarnations; shortage of psychologists. So Government gives scholarships in psychology, and when the people qualify with first class honours and expect that they will come and get a job, and discover in the course of working towards their career exactly where they would like to qualify—because with a first-class degree you are entitled to do further study at Government expense all to come back and serve the Government in a capacity that it said it needed—they are given a two-year contract.

I want to know how that is satisfying the development needs of the country. Because, at the end of these two years, these people will get scholarships elsewhere and go! Is this what we want? No. This is not good enough. [Desk thumping]

Sen. Karim: [Inaudible]

Sen. C. Baptiste-Mc Knight: Excuse me?

Sen. Karim: [Inaudible]

Sen. C. Baptiste-Mc Knight: No, it was not.

Sen. Karim: It was. I have the evidence, and I will show it to you.

Sen. C. Baptiste-Mc Knight: Okay, very well. But the fact that one lot did foolishness is no excuse for it to continue. [Desk thumping]

Sen. Hinds: You see! That is the problem.

Sen. C. Baptiste-Mc Knight: I would wish the Government to ensure that it administers these particular scholars in a manner that is satisfying both to them, in terms of giving them jobs on your establishment in the vacant positions. [Crosstalk]

Sen. Karim: Discriminate against it! [Inaudible]

Sen. C. Baptiste-Mc Knight: Please! Anyhow—

4.30 p.m.

Let us talk about the people aspect of the budget: poverty alleviation and human development. Now, this is very interesting because the greatest development I see, here out of some 90-something different areas of assistance that are available to nationals, is something called a people’s card which, in the last budget, had $2.5 million and in this budget it is allocated $30.436 million.
My questions are these: has the unit value of the people’s card been increased and, if so, from what to what? How many more people are being projected to benefit from this particular programme in an era where I am told that the poverty figure has moved from 16.17 down to 12.7? I suspect that the idea is to move the 12.7 out of poverty in one year, but I would like to have this confirmed.

I am also very partial to the innovation in the social URP, but then I am minded of the fact that the arrangement, as I understand it, is to pay these mothers of special children $80 a day for a five-hour day to look after these children. So my question is—Madam Vice-President, forgive me, I always have lot of questions because I like to get information to understand things—how many shifts per day will be operating?

I know that no one will expect an $80 a day person to work a whole day, but if the idea of this programme is to give these children care, and allow the normal, care-giving parent to have a normal job or improve themselves by going to school, it means that these homes, institutions, have to be operating from roughly 6.00 in the morning to at least 8.00 at night.

We are talking about people living all over the country. People in Trinidad live in Moruga and work in Port of Spain; live in central and work in Sangre Grande. So it means that if you have an 8.00 to 4.00 job, you could easily have to have that child in the daycare centre from six o’clock or seven o’clock in the morning, and you are not getting back there until, perhaps, six, seven o’clock at night. I want to know how many shifts of people are going to be involved in maintaining these children in the centres, but I like the idea because I can see benefits in it.

Apart from the assistance to the parents, the proper care that the children would get, I can see it having the effect of improving the parenting skills of the people who are employed to look after these children, and it would also—because I am sure that they would have to be trained in childcare—give them an opportunity for personal upward mobility; it gives them horizons that they could go into nursing, childcare, et cetera.

So now I come to health. I am trying to deal with the areas of personal development. Madam Vice-President, as we speak, there are areas of the health care sector that are infernent. The kitchen and the laundry at the Port of Spain General Hospital are experiencing some problems. As a layperson, I wonder, when these two units of a hospital are experiencing problems, is there not some effect on the standard of meals, the meal security, for the patients? And then I
suspect with the laundry having problems, there might be problems with the sterile containers that have to be used; they could easily run short, because these two units are vital to the productivity of the whole area. I do not know what is in the budget that addresses these problems.

Then you have Mount Hope which, if I am to try to make sense of advertisements I see in the papers, I do not know whether Mount Hope is being outsourced or privatized, because absolutely everything seems to be advertised for from outside.

**Sen. Al-Rawi:** Despite the RHA Act.

**Sen. C. Baptiste-Mc Knight:** This does not make sense to me. I want to know what exists in this budget to give some comfort that these problems can be, will be, resolved to the benefit of the population.

The hon. Minister of Health, in his contribution to the House, recognized the need for specialist professional training. He said that they are either in the process of or have completed whatever. Discussions with Johns Hopkins—top of the line—to offer that training here; very good idea. I am totally in favour of that. But then I note that there is a subitem, “Financial Assistance Programme” morphed in the Office of the Prime Minister. Now, this from community development—

**Sen. Karim:** Slush fund!

**Sen. C. Baptiste-Mc Knight:**—into the office of the Prime Minister. Now, I think I just heard something like slush fund, and I know that that is not right because the hon. Prime Minister will not want or have a slush fund in her place.

**Sen. Karim:** Not that, the one before.

**Sen. C. Baptiste-Mc Knight:** Right?

**Sen. Hinds:** Who said that?

**Sen. Karim:** Under the Ministry of Community Development!

**Sen. Hinds:** Is the Minister—Karim who said that?

**Sen. C. Baptiste-Mc Knight:** Anyhow, this particular line item—

**Sen. Karim:** It was a slush fund before.

**Sen. C. Baptiste-Mc Knight:**—now, you are the person who said slush fund, “eh”.

**Sen. Karim:** I said before! [Crosstalk]
Sen. C. Baptiste-Mc Knight:—it increased from two million in the last budget to $12.427 million in this budget to assist people in the medical area. Question: how and who can access this fund?

Talking about the need for professionals, I asked the Minister whether he has made any progress in his discussions with the medical association with respect to the discriminatory conditions under which graduates from the St. George’s Medical School are placed when they return to Trinidad, or Tobago for that matter, to fulfil their contractual obligation. They are required to do something like five years as apprentices—

Hon. Senator: Three.

Sen. C. Baptiste-Mc Knight:—three years as apprentices—everybody else does one.


Sen. C. Baptiste-Mc Knight: Clinical apprentice, the same thing, but the fact is that they are doing work. What happens is, at the end of three years, when their contractual obligation is up, because they are so fed up and discontented, they go. They walk.

Sen. Karim: All of them are absorbed.

Sen. C. Baptiste-Mc Knight: All of them are what?

Sen. Karim:—absorbed as doctors.

Sen. C. Baptiste-Mc Knight: After three years? What I am saying is that it is discriminatory, it is wrong and it must stop. [Desk thumping] That is what I am saying.


Sen. C. Baptiste-Mc Knight: Well talk to your colleague and make sure that by next year I do not have to come and say it again. [Desk thumping]

Sen. Karim: We are fixing St. George’s. That is what the PNM gave us.

Sen. C. Baptiste-Mc Knight: They gave you a lot more, but do not start me on that. I will leave that to these—[Pointing to Opposition Senators]

Now, Madam Vice-President, I note that the Minister of Health made no reference, at any time, to the innovation, the HPV vaccination programme. Now, I assume that it is not in this budget because it was already paid for, but because
they already have, I think, the 20,000 doses of vaccine, I would have thought that there would be some mention of the fact that there will be a massive education and information campaign for the parents, because this is vaccine that is not that old, it is kind of still new, and it is to be given to 11-year-olds and 12-year-olds.

Now, it is a serious business, because there are all kinds of information about it. There is information out there that when it was launched in India, six children died and they stopped it immediately. There are many sides to the effectiveness of it. How long does it last? How many of our Trinbagonian teenagers get cervical cancer? That is what it is supposed to guard against. Unless this vaccine has a lifespan in the person of over 20 years, you have to explain to the parents why and how it might be of use for them to give that to their girl children. I have seen nothing about that in the volumes of literature that I have received. Take note! It is necessary—[Interruption]

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.

4.45 p.m.

Sen. C. Baptiste-Mc Knight: I thank you, Madam Vice-President and I thank you for extending my comedy hour.

[Sen. Dr. James Armstrong in the Chair]

I was talking about the HPV vaccine and I was about to say that my experience is that this is a Government that promises education for the nation about serious things—I am thinking about the gang legislation, that the information never happened. I do not want the same thing to happen in the case of these 11-year-old girl children. I am putting you on notice. [Interruption] No, the boys are not being vaccinated; although they can also be given this vaccine, but I notice that there is a problem; no mention of vaccinating the boys.

I have looked at the budget, and, in perusing the execution of the 2011/2012 budget, I noticed that the Ministry of Health paid $2.5 million for 22 cataract procedures. Now, that, in my maths, works out at $113,600 per cataract operation. [Interruption] Yes. You want me tell you what page it is on?

Hon. Senator: Yes.
Sen. C. Baptiste-Mc Knight: That is easy; page 22 of the PSIP.

Now, I had my cataracts done and I did not realize until now what a good friend my doctor was to me, but it was not even $11,000 for each eye. I think this was probably an eye transplant. [Laughter] It was probably just a misprint because, basically, for that same amount there were nine renal transplants. Now, a renal transplant, to me, is something much more serious than a cataract. Cataract is same-day surgery; a couple of hours in and out. “It is just that you do not see too good for the first couple of days, but, hey, after that the macoing is extremely good.”

I noticed that the cardiac procedures quantum has been reduced from 17 million to 11 million. This is in a day and age when people are complaining about the lifestyle illnesses and cardiac is one of them. For 17 million hear what they got: 211 open-heart surgeries; 519 angiograms; 88 angioplasties. So it means that this year we are going to get even less, but, be that as it may, the total allocation is $75,575,550 for medical treatment of nationals in institutions.

The plea that I would like to make here, now, is that a part of this allocation be used to provide medical care for retired chief justices. Do you know why? Retired prime ministers and retired presidents are accorded this. If our Government is supposed to operate on three pillars and the third pillar is the Chief Justice, I would think that equity—simple equity—demands that this be given to chief justices. One is not requesting any extra funds from any place. All this requires is the goodwill of the Cabinet and their decision to grant it, the money comes out of this portion.

As a matter of fact, since the judges—they are the only public servants, who, when they retire, are debarred from practising their profession. Now, I think that it is only fair. If people cannot supplement their fixed income, you can make a trade-off by allowing them free medical care under this very rubric; requires nothing more.

Mr. Presiding Officer, I want, briefly, to talk about transportation. Given the fact that in light of what I have heard about the gas subsidy—and at my age I have to start thinking about when I am not going to be able to drive. So I am interested in public transport. Our existing public transport system is woefully inadequate, deficient.

Now what exists runs well, but, for the years that I have been here—I have been through four Ministers in charge of transport; then, over the past two and a half years we have had three Ministers of Transport. When transport was made a
separate mission, my hopes and expectations did rise. You know why? Because I thought that, ah, at last transport is going to be given serious attention; three Ministers later, no transport policy.

What do we get in the budget? Some capital expenditure; there is talk about public/private partnership for all sorts of things: ports and whatnot; and the improvement in the bus system is more buses with CNG and GPS; but a CNG bus with a GPS in it does not help the travelling public when it is stuck in a road artery behind a whole snaking line of six-year-old-plus roll-on/roll-off vehicles.

Every Minister of Transport here seems to think that the answer to the problem is more roll-on/roll-off and older roll-on/roll-offs. It seems to work because people need to get from point A to point B even though, perhaps, they could walk faster than they would reach in their cars on account of the traffic. This country needs transport that they could take it from five o’clock in the morning to at least ten o’clock at night. As I said before, when students leave school they are dependent on the few brave maxi-taxi drivers who, themselves, live in fear of being hijacked on either highway on their way home. We need a transport policy yesterday. [Desk thumping]

Mr. Presiding Officer, I have just one other area that I would like to mention. This takes me back to the front of my contribution and it pertains to the Ministry of Foreign Affairs. It is an area that I am pretty familiar with. I spent my whole career in the foreign service, so I think I know a little about it.

Now, in the press, recently, there was a lot of news about people being severed from the Miami consulate; eight of them, it said. We have not heard a word from the substantive Minister on if it has really happened; why it happened; what has been done to correct the situation, but because I note in the budget—in their estimates—the quantum for severance pay for overseas missions has been reduced from $7.5 to $5 million and a bit, I wondered if these people were really severed. They are all entitled to severance benefits in the quantum of one week’s salary for every year worked up to five years; two weeks up to 10 years and four weeks over 10 years. When one person has been there 23 years, it is serious money you are talking about.

I do not know if they are not aware of the fact that these people have conditions of service that they are told about on entering the establishment. So I just thought I would mention that there might be a problem with the severance benefits.
Out of curiosity, looking at the items, I wondered about the nature of the promotion and publicity that the head office is proposing to do during this year that is going to demand 37 per cent of what is appropriated for all of the 17 overseas missions. I do not know what a foreign office normally has to promote. It leaves me really wondering; and the official entertainment triples from $50,000 to $187,000. Now that is a lot of entertaining. In my day we had to work; it did not have time nor money for such, but I wish them well.

I would just, in passing, note that CEPEP is again supposed to go to school, but they are not only going to school, this time they are going to COSTAATT. Is that not lovely? This is a nice thought on which to leave.

I thank you, Mr. Presiding Officer.

The Minister of Justice (Sen. The Hon. Christlyn Moore) Mr. Presiding Officer, Members of this esteemed Senate, I rise to congratulate my colleague, Sen. The Hon. Larry Howai, Minister of Finance and the Economy, on the delivery of this, his first budget presentation to this honourable Senate, the 2013 Appropriation Bill.

Senators, I am sure you will agree that Sen. Howai’s presentation signals this Government’s commitment to the sustainable economic and social development of our nation as we boldly move towards stimulating growth and generating prosperity for this and future generations.

Mr. Presiding Officer, I, too, make my maiden presentation in this Chamber as Minister of Justice. What could be a more appropriate initiation than to present the achievements of the Ministry of Justice and its projections for fiscal 2012/2013.

I thank our hon. Prime Minister for the opportunity to serve the people of Trinidad and Tobago in this manner, and for the opportunity to demonstrate a more measured, studied and contemplative view of Tobagonians in general and the Tobagonian woman in particular something that may have been absent in the contributions made in today’s sitting thus far.

My stewardship of this newly created Ministry comes at a time when there is due recognition of the need for a modernized criminal justice system to return our twin-island Republic to a greater sense of safety and wellbeing in the face of burgeoning criminal activities.

Mr. Presiding Officer, as I proceed, I take this opportunity to thank the dedicated and talented administrators and technocrats at the Ministry for their support in ensuring that I was quickly familiarized with the immediate issues and to their
progress regarding criminal justice reform. With their continued support it is expected that there will be a range of positive outcomes in terms of processes, contents and systems. The Ministry will continue to undertake wide-ranging reform that is informed by the three principles of international best practice, meaningful stakeholder engagement and strategic partnerships with key organizations.

5.00 p.m.

Legislation: when the Ministry of Justice embarked on its journey almost three years ago, it set out to implement initiatives that would provide a more efficient and speedy system of criminal justice, to improve the way that criminal justice is administered, and ultimately resolve the issue of recidivism that currently exists, and focus on the rights of victims.

In this regard, policymaking, and the tabling of legislation in this honourable Senate, are of paramount concern. Over the past fiscal year, the Ministry has worked to lay the appropriate legislative foundation, upon which can rest a reformed and strengthened criminal justice system. [Desk thumping]

For fiscal 2011/2012, the Ministry of Justice, Mr. Presiding Officer, laid four pieces of legislation, all of which were passed and assented to, and four await full proclamation by the President of the Republic. We are pleased to have followed through on creating legislation that would modernize the system, and if you would allow me, I would outline the progress of the Government’s implementation of the measures found in those Acts.

The DNA Act: Mr. Presiding Officer, as matters pertain to fighting crime and the prosecuting of offenders, DNA evidence is essential in the repertoire of law enforcement strategies. DNA evidence effectively identifies both victims and perpetrators and ties them to the scene of the crime. The Ministry, from its onset, reviewed the existing legislation, and later tabled in the House new legislation to augment the impact of DNA legislation and strengthen the functionality of DNA forensic analysis.

The Act was also intended to improve the detection rate of serious offences such as murder, kidnapping, sexual offences and drug trafficking. It addresses the hitherto inability of the courts to order intimate samples. The new piece of legislation was designed to:

(a) Simplify the process for obtaining intimate and non-intimate DNA samples. As such, non-intimate samples may now be taken without consent from suspects, detainees, accused or convicted persons.
(b) Empower the Government to enter into arrangements with foreign governments to share DNA data, having regard to the borderless nature of criminal activity.

(c) To collect and process DNA samples, as well as establish a comprehensive database to optimize the use of procured DNA data.

The Act, therefore, provides for the establishment of the National Forensic DNA Data Bank, and for the appointment of a custodian who will be responsible for receiving and storing all DNA profiles. A DNA register will also be established and maintained at police stations, and qualified persons will be permitted to take samples.

Mr. Presiding Officer, since the Act has been assented to, the Ministry has been working assiduously to establish the National Forensic DNA Data Bank in Trinidad and Tobago. Additionally, discussions with iGov to procure software and equipment for the new DNA data bank are ongoing. The Ministry also spearheads an implementation team of stakeholders to address issues such as training, equipment, upgrade and acquisition for the full implementation of the legislative package.

Two—the Legal Aid and Advice (Amdt.) Act: Mr. Presiding Officer, the role of the Legal Aid and Advice Authority is critical to the effective administration of justice in our land. The Authority was established to assist persons otherwise unable to afford legal representation, and access to the court systems for both civil and criminal matters. The Authority is therefore central to ensuring equality before the law, the right to counsel and the right to a fair trial. Effective May 03, with the assent to the Legal Aid and Advice (Amdt.) Act, 2012, the eligibility requirements for individuals seeking to access legal aid has been widened. Citizens with a maximum disposable capital of $20,000, up from $5,000, and a maximum disposable income of $36,000, up from $7,000, can now receive legal representation.

Legal advice remains a right of every citizen, regardless of the size of their disposable income or disposable capital. This widened access ensures that those who need legal representation, but cannot afford it, can, beyond a doubt, access the court system in both criminal and civil matters. In so doing, this Government has preserved and guaranteed the constitutional right of all our citizens to legal counsel, to the protection of the law and to equality before the law. Our Constitution enshrines the right of the individual to equality before the law and to the protections aforesaid. The Legal Aid and Advisory Authority is therefore a critical pillar in our democracy, as it supports these principles as preserved in the Constitution.
The primary concern of this Government, Mr. Presiding Officer, is the welfare of each and every one of our citizens. And this is why we have been working tirelessly to develop new and enhanced existing programmes that will promote and provide a better quality of life for all. With this fundamental philosophy underpinning our work, we are set out to deal decisively with issues that have stymied the effective administration of criminal justice.

In this regard, an additional benefit of the widening of access to legal aid is the more effective and timely delivery of justice to our citizens. The inability of accused persons to secure counsel often slows down the judicial process, and cases/trials often cannot proceed with litigants and defendants unrepresented. Quicker access to counsel for accused persons will facilitate speedier criminal trials. Speedier criminal trials send an unequivocal message that the criminal justice system works, and that the consequences of criminal activity will be swift. Indeed, justice will be swift.

Further, through this Act, the fees to be paid to attorneys who handle legal aid matters have been increased. For too long the Authority has been faced with the challenge of servicing its clients, because of a decline in the number of attorneys volunteering their services. This has been due, in the main, to a previous fee structure that did not adequately compensate attorneys for their time or their expertise.

Another critical pillar of the amended legislation is the introduction, for the first time in Trinidad and Tobago, of a duty counsel scheme. This scheme caters to some of the more vulnerable in our society where legal aid and advice unavailable. I am speaking here of juveniles. From the moment they are detained on suspicion of having committed an offence, they are entitled to representation under the duty counsel scheme. This facility is also available to adults who are detained on suspicion of having committed a capital offence, as well as certain other indictable offences. Mr. Presiding Officer, of the $55,872,000 allocated to the Ministry of Justice for developmental programmes for fiscal 2013, $850,000 has been allocated for the implementation of the duty counsel scheme.

We now turn to the Administration of Justice (Electronic Monitoring) Act, 2012. Mr. Presiding Officer, the Ministry has also worked towards implementing electronic monitoring as one of the strategies for the management of offenders in the penal system. Electronic monitoring helps to enhance public safety by increasing law enforcement’s capacity to monitor parolees, persons on bail in certain circumstances and other detainees on various forms of conditional release. This strategy is a form of non-secret surveillance that consists of an electronic device attached to a person, which allows their whereabouts to be monitored.
In general, these devices locate the subject using GPS technology, and report their position back to a control centre. Using this technology, supervisors of offenders can quickly and easily confirm that an offender is at a specific location when he or she is required to be there. A tamper-resistant electronic device is attached to the offender’s wrist or ankle, and the device transmits an electronic signal indicating whether the offender has had any unauthorized absences or has tampered with the device.

This initiative is a timely one, as there is a need to balance the safety of our citizens and our prisons, as well as balance our corrections budget. The system, Mr. Presiding Officer, has benefits for the offender and the State alike. For the offender, the electronic monitoring will provide the opportunity to maintain employment, attend treatment, keep his or her family unit intact, teach the offender how to plan and schedule activities using behaviour modification techniques.

The benefits for the society and the State include: crime prevention, in that it enhances the offender’s compliance and detection for breach of conditions. It minimizes the risk to the public, as only those least likely to reoffend will be eligible for the programme.

The electronic monitoring solution that will be implemented by the Ministry of Justice, using GPS and other technologies embedded for the purposes of tracking offenders: for fiscal 2012, the Ministry began the necessary activities to establish a pilot project for the introduction of the electronic monitoring programme into the criminal justice system and the penal systems. Thus far the following progress has been made:

1. Cabinet approved an interim structure for the electronic monitoring unit.
2. The Ministry is in the process of recruiting staff for the unit.
3. The Ministry has sought expressions of interest for the supply of the device earlier this year.

During this fiscal 2012/2013 an evaluation and a selection of the most appropriate device will be completed. A provider is to be sourced for the supporting telecommunication service.

Following the proclamation of legislation in fiscal 2013, a service provider will be engaged to implement the pilot programme. The Ministry will also educate our public on how the system will work, and how it is to be managed. All stakeholders will also be engaged to ensure seamless integration of the strategy into the system. Government has allocated $7 million for the implementation of the electronic monitoring programme in fiscal 2012/2013.
We turn now to the Administration of Justice (Indictable Proceedings) Act, 2011. Mr. Presiding Officer, there exists a huge backlog of cases in the Magistrates’ Court awaiting preliminary inquiries. The system of preliminary inquiry, as it now stands, entails extensive cross-examination by counsel, persistent adjournments, complex legal submissions, which sometimes result in judicial review proceedings. Further, the system provides an opportunity for the coercion, intimidation, harassment and even murder of witness because of the delay occasioned at the preliminary inquiry stage.

Of note also is that physically and psychologically sensitive victims, for example the elderly, children and victims of sexual offences, are forced to rehash traumatic experiences and endure aggressive cross-examination. This creates a harsh and judicially insensitive environment for these categories of witnesses.

The Administration of Justice (Indictable Proceedings) Act, 2012, seeks to ensure that the system will become more efficient and more effective. Once proclaimed in its entirety, it will abolish the system of preliminary inquiry and replace it with sufficiency hearings. This sufficiency hearing will be conducted by a criminal Master in the High Court, where written evidence will be submitted to the criminal Master, who will decide whether or not there is a prima facie case against the accused. This provision will allow for a committal for trial by the judge and jury within three-month time frame, redounding to the enormous cost-savings, benefiting the State and the citizen alike.

5.15 p.m.

Already, stakeholders within the criminal justice system, that is, the Judiciary, the Director of Public Prosecutions, the Trinidad and Tobago Police Service, and the Trinidad and Tobago Forensic Science Centre, are preparing for expected proclamation by building the internal capacity in terms of process, people and support systems, in order to deliver within the new guidelines.

In this regard, permit me, Madam Vice-President, to highlight an important initiative being undertaken at the Trinidad and Tobago Forensic Science Centre to improve its delivery and efficiency, in the provision of evidence analysis and data, a critical component to the success of the transition away from preliminary inquiries and onto sufficiency hearings.

The Forensic Science Centre is responsible for the provision of forensic pathology and analytical forensic science services, to support law enforcement and other agencies responsible for the investigation of crime and for the administration of justice. An average of 20,000 pieces of physical evidence are submitted annually to the centre by clients agencies. The management of the flow of evidence through the centre is mainly a paper-based system with a limited database.
Additionally, the laboratory sections maintain separate several paper registries of evidential submissions pertaining to the analyses performed. And these individual registers are largely relied on to track evidence.

In sections where electronic registers are also maintained, they are not linked to provide an overall view of where the evidence is located or the progress of the analyses in the particular section.

Using the current system, tracking the progress of examinations is arduous and the turnaround time for submissions cannot be easily determined. Individual, sectional or organizational performance cannot be accurately measured, and the timely generation of relevant statistics to manage laboratory operations is not possible.

In these circumstances, government has approved the procurement of a more efficient system for the management of the flow of evidence at the centre, called the Laboratory Integrated Management System or LIMS. This is a software based laboratory system that offers a set of key features to support laboratory operations. These features which include work flow, data tracking support, and smart data exchange interfaces, are aimed at optimizing laboratory operations.

The LIMS also increases accuracy by reducing the potential for human error and facilitates centralised input of generic data of physical evidence. Consequently, LIMS will allow the centre to electronically record evidence received, and all case management activities related to those evidential submissions. This system would streamline the examination process, and provide much greater functionality than the existing paper based system, by a facilitating one, electronic tracking of evidential submissions through the centre, particularly during the examination process. And, two, the real time generation of statistical reports, three, timely responses to ad hoc queries, and four, provide external clients with the capability to review and request information on evidential submissions. LIMS is therefore a necessary tool to ensure both the efficiency and the effectiveness of the centre. It ensures that the centre is more equipped to deliver the evidential data and analysis that law enforcement agencies need, in order to meet the new legislative requirements as relates to bringing a matter to trial in a more speedy time frame.

Additionally, Madam Vice-President, the Ministry will spend a further $13,272,000 to extend and modernize the facilities at the Forensic Centre, in fiscal 2013. We will work towards the establishment of a new state of the art forensic science centre facility, and this is on the way. Three million dollars have been allocated to commence this project. [Desk thumping]
Further, in support of the administration of justice Indictable Proceedings Act 2011, amendments are being proposed to various pieces of legislation, including the Jury Act, and the Evidence Act, in a bid to ensure that all the necessary elements are in place to allow for the successful implementation of that Act.

In this regard, the Ministry of Justice has developed a policy to propose changes to the Jury Act. That document is currently being circulated among stakeholders for comment. Once the consultation process is completed, the policy will be submitted to Cabinet for approval, and then on to the Chief Parliamentary Counsel, for the drafting of appropriate legislation to be laid in the House.

Matters surrounding the implementation of this Act have generated debate amongst stakeholders and the clients at the Ministry of Justice. Some of these debates have made their way into the public domain. With this in mind, and immediately upon assuming office, I set about to meet with our several stakeholders who will be tasked with the operations and day-to-day implementation of the changes brought about by this Act. And have invited all stakeholders to submit their comments, as regard the implementation of this Act. These comments are due within a few days.

I am working with stakeholders, including the Judiciary, the Office of the Director of Public Prosecutions, among others to ensure that a system is in place for the successful implementation of this Act, and to facilitate a smooth transition to the new landscape that will be created once the Act is fully proclaimed.

Madam Vice-President, if necessary, we will briefly delay proclamation, and stagger implementation to ensure readiness by all stakeholders concerned. [Desk thumping]

New Court Houses: Madam Vice-President, as I have stated earlier in my delivery, a major component to the Ministry of Justice's strategic priorities is the reengineering of the criminal justice system, to ensure swift delivery of justice. The abolition of the preliminary enquiry is but one initiative in that strategy. The other is the delivery of state of the art court plants, which will be needed to accommodate the quicker pace, at which case will pass through the criminal justice system, at the end of the preliminary enquiry.

As we move to improve the effectiveness of our judicial system, accessible courts in locations that are nearer to residential centres with physical structures that aid the efficiency of court staff, is one of the main strategic intents of this government. For victims and jurors, the new court plants will also facilitate their anonymity, as the buildings are designed to protect their personal identity and provide security while they conduct their civic duty.
Therefore, it is with these future legislative and systematic improvements in mind that the Ministry of Justice has begun work to construct judicial centres across Trinidad and Tobago. More specifically, the courts will be placed in Tobago, Trincity, Sangre Grande, Penal/Siparia and Carlsen Field.

Each judicial centre, where appropriate, will typically house four Magistrates’ Courts and the four High Courts, including adjunct services, such as probation and Legal Aid. The Ministry of Justice expects to turn sod for each of these courts during this fiscal year. And $7 million have been allocated to the commencement of this project for fiscal 2013.

Madam Vice-President, I now turn my attention to the issue of penal reform—offender management. For the most part the approach with respect to the management of offenders has been fragmented. As the Ministry of Justice seeks to modernize and transform our penal system, the reduction of recidivism, stands as one of the more critical elements of our strategy, to deal with nagging issues of crime and law and order in the medium term.

The reduction in the rate of re-offending will not only save the state in terms of the resources that we deploy, but also assist in the overall reduction of the crime rate, thereby promoting personal safety and well-being for our citizens. Our policies, Madam Vice-President are situated in the paradigm of restorative justice, where offenders have a greater opportunity to improve themselves and to become productive members of society.

The Ministry of Justice has therefore designed an Offender Management Programme that takes into account the human, social, financial, administrative and physical resources necessary, for the effective functioning of the penal system. This year the following progress has been made, one, the offender management policy has been approved by Cabinet; two, we have established an organizational structure for an Offender Management Division within the Ministry, which is now before the Ministry of Public Administration for review.

Madam Vice-President, for the 2013 fiscal year, the Ministry will submit to the Chief Parliamentary Council the offender management policy, for the purpose of drafting the appropriate legislation for this project. Three million dollars have been allocated for the implementation of this programme for fiscal 2012/2013.

I wish to turn now to the Offender Rehabilitation and the Prison Radio Project. One particularly innovative initiative, with respect to offender rehabilitation is the prison radio project. In September of this year we proudly launched the radio programme. We believe that broadcasting to this captive audience in our prisons, offers the
potential to provide these men and women with information, which will inform their choices about the future. This approach is also linked to the shared responsibility model of rehabilitation. It operates under the assumption that the offender is accountable for his crime. That society shares responsibility for the causes and incidents of crime and has an obligation to all its members including victims and offenders. And that prison staff is duty bound to provide opportunities which the offender can access to develop, and prepare for a successful reintroduction into society.

Prison radio, Madam Vice-President, is just one vehicle. It will operate in tandem with other rehabilitation programmes such as: academic training for inmates, anger management training for inmates, and a range of other skill developments in social intervention strategies [Desk thumping]

The prison radio station Rise Maximum Radio, which operates out of the maximum security prison at Golden Grove, Arouca, is a shared effort between prison staff and inmates. In the process of informing content, inmates will simultaneously acquire the rudimentary skills of communication, media production, talk show recording and writing, among other valuable competencies.

We now turn to parole. Madam Vice-President, parole is another pillar in our offender management policy. Currently, remission is the only early release mechanism available to offenders. Remission is the grant of early release of an offender as an incentive and reward for his good behaviour. The aims and objectives of remission have in theory, been to reintegrate the offender into society to ease the problems of overcrowding in prisons, and to reduce costs.

In fact, it helps most offenders to make an effort to consistently behave well, and to improve their discipline by observing rules and regulations in anticipation of early release. However, Madam Vice President, the programme has been fraught with issues. These include eligibility for early release is limited to the display of good behaviour, with no consideration being given to the selection of early release of candidates in balance with the risk of recidivism or the gravity of the offence committed. No consideration is given to the adjustment or the improvement of the living environment of the offender, at the time of making a decision for early release. There is no decision-making body tasked with selecting a candidate, for the granting of early release. Early release is automatic, based upon the acquire number of points awarded due to good behaviour. There is also a lack of post release supervision. While the appropriate authorities are working to enhance and reform the current remission criteria, it should be noted that as an early release mechanism, only those offenders serving a sentence of six years or less are eligible for remission.
The Ministry of Justice is therefore proposing that offenders serving time in excess of six years may also be eligible for parole. Parole is cited as a discharge of offenders from custody prior to the expiry of the period of custody imposed by the court, providing they agree to abide by certain conditions. The intention is that they serve some portion of their sentence under supervision in the community or face possible recall for misconduct. It is a process which deinstitutionalizes punishment.

An important aspect of this process is the requirement that the parolee report to a designated parole officer qualified to render advice and support. According to the theory of parole, an offender should be released from a prison sentence only when it can be said that he or she has been appropriately punished for the offence, that he or she is no longer a danger to the community, and that it is in the interest of rehabilitation that the offender be released into the community.

This year it was the goal of the Ministry to establish a system of parole. To this end, the Ministry of Justice has achieved the following: a policy has been approved by Cabinet and is now before the Chief Parliamentary Counsel for the drafting of the requisite legislation. Once completed, laid and passed in Parliament, the Ministry will, in 2013, establish a parole board and begin the recruitment and training of parole officers.

We turn to prison rules. The current prison rules of Trinidad and Tobago came into effect under the UK West Indian Prisons Act of 1838, and makes provisions for the management of prisons, including the treatment of prisoners and the conduct and function of prison officers. Although the nation’s prisons are now governed by the Prisons Act, Chap. 13:01, the prisons rules were saved via our Constitution’s savings clause. The current rules consist of some 318 rules of which the first 219 rules deal with the conduct of prison officers and their general roles and responsibilities while on duty. The remainder of the rules consists of the general treatment of prisoners and concerns such issues as their reception into prisons, their diet, religious instruction, health and cleanliness, education, punishment and discipline.

Generally speaking, Madam Vice-President, prison rules have been vital to the concept of offender management as they serve as a valid guide for the prison authorities to follow when managing prisoners. Even the United Nations, via the standard minimum rules for the treatment of prisoners, has observed that rules are not intended to describe, in detail, a model system of penal institutions. They merely seek, on the basis of contemporary thought, to highlight the essential elements of the most adequate system of today.
Appropriation Bill, 2012
[SEN. THE HON. C. MOORE]

Madam Vice-President, the Ministry of Justice’s review of these rules has led to the conclusion that they are anachronistic and do not reflect today’s modern penal philosophical approach to restorative justice as opposed to retributive justice, therefore, these rules must be amended. Modern prison rules should focus more on the prisoner and their management, rehabilitation and treatment, and less on the responsibilities and duties of prison officers.

Prison officers are already regulated by other pieces of legislation. As such, we propose that amendments to the rules must seek to provide a guide to the prison service to assist with the management of offenders through the prison facilities. Rules must also give greater flexibility to prison staff when dealing with certain groups, particularly those most at risk. The Ministry of Justice, therefore, has proposed amendments to these rules and shall make provision for a tiered classification system of supervision for prisoners that will guide officers in terms of the kind of activities and movements that may be permissible to prisoners.

Those supervision levels are intended to relate to the concept of parole. In fiscal 2011/2012, the Ministry crafted, in collaboration with the Chief Parliamentary Counsel, a new draft prison rules. That document is currently being circulated amongst stakeholders for comment. A prison rule policy document has also been developed. This policy has been approved by Cabinet and requires amendments to the Prison Act to allow for its implementation.

I wish to move now to prison consultations. I have begun to hold consultations with the prison executive and the Prison Officers’ Association with respect to their needs, and in order to establish priorities. Some of these priorities include the upgrade of prison facilities, a juvenile facility for female prisoners, a new prison for Tobago, appropriate terms and conditions for prison personnel, including security and housing, and determination of the fate of the Carrera prison.

Madam Vice-President, with regard to the improvement of facilities at our correctional facilities for fiscal 2013, $24,500,000 has been allocated. The Carrera Convict Prison, the Maximum Security Prison and the Youth Training Centre are all targeted for upgrade and improvement works. Additionally, I have tasked Ministry technocrats with the development of a plan of action for the establishment of a female juvenile facility in the shortest possible time. [Desk thumping]

On the issue of a prison for Tobago: on Saturday last, I had the opportunity to visit the existing facility and I observed, first-hand, the substandard facility for inmate and prison officers, alike. Madam Vice-President, the circumstances of offenders in Tobago are unique. The existing prison facility in Tobago has no provision for
female or juvenile offenders. None! Furthermore, the facility cannot accommodate offenders serving long-term sentences, therefore, these categories of offenders have been greatly affected and must, of necessity, be transferred to Trinidad to serve their sentences.

This is particularly traumatic as the juveniles and women not only face the loss of their freedom, but often familial bonds are broken, sometimes irretrievably. The cost and time associated with visiting incarcerated loved ones in Trinidad is, in most instances, prohibitive or unsustainable over the short term. Tobago’s culture is largely characterized by strong family and community ties, therefore, the trauma of leaving family and community for incarceration in Trinidad, with the likelihood of few or no visits, is a double-edged sword cutting both the offender and their community, and, by extension, their family.

Additionally, the rehabilitation of offenders and their preparation for reintegration into society is best served if offenders can maintain familial bonds. [Desk thumping] For these reasons, Madam Vice-President, the Ministry has begun the necessary groundwork with a view to bringing a new correctional facility to Tobago. [Desk thumping]

I wish to turn now to drug treatment courts and our strategic partnerships. Madam Vice-President, the success of efforts to modernize and transform our criminal justice system is dependent largely on the development of strategic partnerships within the criminal justice system. The Ministry has been working closely with a number of agencies and institutions in a bid to understand the setbacks to efficiency. We have heard all of their issues and suggestions, many of which form the basis of some of the policy prescriptions being advanced at this time.

The Ministry of Justice is also delighted to collaborate with other institutions and agencies in the criminal justice system to provide support for the effective implementation of the initiatives that they advance. One such initiative is the recently launched drug court pilot programme spearheaded by the Judiciary. It is a clear example of how therapeutic jurisprudence is taking root in our justice system. Here, legal rules and procedures promote the psychological and physical well-being of people, and promote positive change for offenders, the victims and community.

People who have committed crime and are addicted to drugs will receive the treatment they need and get a real opportunity to turn their lives around. [Desk thumping] Drug treatment courts are different from conventional courts because
they do not criminalize drug dependence, but instead they help drug addicts to heal. In many cases, drug dependent individuals who have committed a crime find it difficult to improve themselves, because they are also dealing with mental illness, emotional despair and addiction. However, we are grateful for the open-minded attitudes of our partners in the Judiciary, and the Ministry of Justice supports this initiative in the development of policy that will form the basis of legislation to be tabled in this honourable Senate in fiscal 2013.

International strategic partnerships: as the Ministry continues to pursue the overhaul of the criminal justice system; we recognize the importance of comprehensive research and analysis into jurisdictions that have taken similar legislative strides and initiatives. We aim to advance using international best practice. With the assistance of locally-based foreign missions, we are coming away with the necessary ideas to assist us in retooling, restructuring and upgrading our criminal justice system.

Ministry technocrats were also exposed to the United Kingdom’s Code for Crown Prosecutors, which provides guidelines on the general principles to be applied when making decisions about prosecutions. The premise of the code is to guarantee that legally unworkable and/or deficient cases are weeded out at an earlier stage so that the police will not have cases that are clogging up the criminal justice system.

With the assistance of the British, a similar code has been developed by the Office of the Director of Public Prosecutions, and this code for prosecutors was formally launched in June of this year. The British have also shared with us strategies and best practices as regards effective parole, as well as parole implementation and jury system reform and management.

The Canadians have shared their expertise on effective case management and correctional planning, as well as strategies to manage parole and offenders in the community with associated risks. Another strategic partner in the transformation of the criminal justice system has been the United States of America. The US Embassy has assisted the Ministry in the provision of an expert to view the operations of Trinidad and Tobago’s Forensic Science Centre, with a review to improving the efficiency of that centre.

Madam Vice-President, and hon. Senators of this Senate, a little over three years into the life of the Ministry of Justice, here we stand, having made considerable progress. As we advance in the journey to initiate and deliver a much required metamorphosis of the criminal justice and penal systems, we take heart in the progressive mindset of our many partners. These are partners with whom we have continually cooperated to implement the novel, new strategies.
As we move forward to deliver the mandate set before us: consultation, collaboration and consensus, these will be our watchwords—meaningful and lasting reform cannot take place until and unless all our valued strategic partners in the system, whether public or private, unite to achieve a common goal. Our goal, Senators, is the attainment of justice that is swift and certain at all times; justice of a superior quality; the provision of a superior quality service and efficiency; and justice that is restorative in its approach.

We are at an opportune juncture in our nation’s development. Never before has a Government singled out our criminal justice system for targeted reform and modernization.

5.45 p.m.

We have an opportunity to address all the issues that have for decades handicapped and stymied our system of criminal justice. Moreover, we at the Ministry are immensely gratified for the opportunity to work on creating an original Caribbean perspective for managing the elements of our primary mandate. Even as the legislative foundation evolves alongside the erection of bricks and mortar institutions, fused with the ideological concepts being created for optimal criminal justice delivery, we see the makings of the proverbial house built upon the rock. [Desk thumping] [Interruption]

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. The Hon. G. Singh]

Question put and agreed to.

Sen. The Hon. C. Moore: Madam Vice-President, I am grateful.

I believe that today we have put in place a criminal justice system that is far more robust and resilient than at any time in our history.

Madam Vice-President, if I may be permitted to deal briefly with matters touching Tobago, again in a more studied manner.

Hon. Senators: Awww! [Desk thumping]

Sen. The Hon. C. Moore: Madam Vice-President, I wish to echo Sen. Cudjoe’s sentiments, and I quote: “The bolt has hit the fan.” It is clear that she has a nuanced perspective of this matter, and perhaps ought to tell us with a bit more particularity, a bolt of what? [Desk thumping] A bolt of what has hit the
proverbial fan? When we consider the Milshirv BOLT arrangement in particular, as opposed to BOLT schemes in general, we must ask certain questions. For example: why were there no requests for proposals with this particular BOLT that hit this particular fan? [Desk thumping] Why was there no site analysis plan for this particular BOLT that hit this particular fan; [Desk thumping] no design charettes showing in-depth analysis of the needs or wants of the intended beneficiaries, no cost benefit analysis, no feasibility study, [Desk thumping] no due diligence, no comparative conceptual analysis to see if this proposal was the best proposal? [Desk thumping] I tend to agree with the hon. Sen. Shamfa Cudjoe, the BOLT did hit the fan. [Desk thumping]

Finally, Madam Vice-President, let me register my singular horror at the suggestion by the hon. Sen. Shamfa Cudjoe in this Parliament that attempts are being made to enslave the people of Tobago. [Desk thumping] This statement is pregnant with hysteria, designed to promote and continue the race spectre in Tobago politics, [Desk thumping] and to prompt our people to reopen centuries-old wounds. Such language and imagery are to be deplored and decried in the Houses of Parliament in Trinidad and Tobago. [Desk thumping]

Madam Vice-President and Members of this honourable Senate, I thank you. [Desk thumping]

Madam Vice-President: I would like to take the opportunity to commend your maiden contribution, Sen. Christlyn Moore. Thank you very much.

Sen. Helen Drayton: Madam Vice-President, thank you for the privilege of speaking on the Finance Bill, 2013. My comments will be against the backdrop of declining GDP, increasing debt and an uncertain global financial climate. I would try not to repeat anything that has been said previously.

Before I open my contribution, let me commend the Minister of Energy and Energy Affairs and his team for the achievements with respect to the price of LNG. [Desk thumping] Any increase over what was there before is certainly an achievement. [Laughter] We have been told that the achievement is a price of US $9.25 per MMBtu as against the price of US $1.64 under the old contract. This certainly is a phenomenal difference. [Desk thumping] When you translate to TT, it is TT $58 approximately, to TT approximately $10.33. So commendations are due. I trust, however, that we are comparing like and like, and that both prices are net figures and that the US 9.25 is not in fact a pre-disaggregated figure.

Madam Vice-President, there are several fiscal measures aimed at strengthening the private sector, the creative arts and the social sector, most of which anyone could hardly take issue with. They certainly are welcome. [Desk thumping] Some of
these strategies include improvement of the business climate which, if implemented successfully, could help to enhance the country’s global competitiveness. We have heard that there are plans in train to reduce the overall time it takes to start a business from over months to a standard of a few days. If that is realized then certainly would be an excellent achievement.

There is income tax exemption over the next three years to facilitate new land development for housing, which would cost a maximum of $1.5 million. This measure, together with the tax exemption for five years per income earned on the rental and construction of commercial buildings, could be a tremendous boost for the construction industry and the non-oil manufacturing sectors in time to come.

There has also been an improved incentive for drilling and exploration in the energy sector, increase in the business levy threshold from $200,000 to $360,000, and also 150 per cent tax uplift to encourage the private sector to hire CEPEP and URP workers. Just an aside there, I wonder whether that incentive on the salaries for CEPEP workers would be an incentive that is carried through to the domestic household sector who hire any of these employees as caregivers, domestic helpers, gardeners and other workers. Many of these workers are skilled in caregiving, landscaping and other professions.

Other significant measures include removal of VAT on other food items, and reduction of the subsidy on the premium gas, resulting in a 44 per cent increase at the pump. I will comment chiefly on some of these measures.

All the additional incentives for the private sector and creative art sectors would result in foregoing revenues, and the financial impacts of these measures have not been indicated. So I wondered whether there was calculation of the impact before the budget was finalized, or whether that is being done now. We are left to wonder, so I am hoping that the Minister in his wrap-up would comment on the revenues foregone. As I said, I am making this contribution in the light of declining GDP, increased debt and the overall financial economic climate.

Regarding the removal of VAT on all food items, I need to comment on that. I know much has been said, but I want to take it from a different perspective. I have to admit that I find it more than strange, and I have come to realize there are some things that sometimes it is better not to try to fathom. To start with, given the developments since the announcement, it is evident that the proposed measure was not clearly thought out, that it is not on all food items and the statement that was made certainly misled many people to believe that VAT will be removed from all food items. There is an aspect of this one needs to comment on.
Firstly, at a time when we need to be competitive, the Government in effect announced a measure to take away a significant competitive advantage on local goods, while simultaneously expressing its desire to promote local business. Certainly locally produced foods translate to jobs and increased tax revenues. I think the contradiction and incoherence with respect to that measure is also compounded when the Government says that the removal is only temporary and linked to food inflation.

I have to ask in this regard, exactly how many hundreds of millions of dollars will be foregone? If indeed it is to be removed from all food items, the estimate could be anywhere in the vicinity of $300 million to $400 million, while our people will still continue to buy the fast food throughout the land.

But it is much more than the actual loss of VAT revenue. There is an administrative cost every time we tamper with VAT in that manner. That is why Trinidad and Tobago is rated poorly in the Caribbean in VAT administration. There is also an administrative cost. So if you want to interfere with VAT, certainly it will be better to consider just an across the board reduction of 6 per cent to avoid that kind of administrative headache.

As I said, it is a strange measure, and while I congratulate the hon. Minister of Finance and the Economy, Minister Howai, on some of the commendable efforts in the budget, I certainly have to ask a question, because the way this VAT is treated, it is like a bank deciding to give all depositors an increase in their deposit rate to cushion inflation, without regard for the other side of the balance sheet. Indeed, it is strange, particularly at the pre-Christmas period when demand increases for many items, when merchants bring in new stocks usually at higher prices. Now, given the normal annual increases that could be expected around this time, there is an issue and there is a problem.

The public is expecting to see a reduction in food prices. They may not see a reduction by 15 per cent on food items, including—let me say this: all the basic food items are already zero-rated, and there is every possibility, as happens every year, that the prices of basic food items would also go up. With respect to the other items that will be zero-rated, that 15 per cent may very well be offset by the normal expected price increases around this time of the year.

I need to say this: the public should understand that while the intention certainly may have been as stated, to cushion the effects of inflation for people who are vulnerable, and one understands that, the fact is basic food items are already zero-rated, so this is not a question now of need. Anything above that is a question of want. When I speak in the context of increasing debt, falling GDP, I raise the question: exactly what is this about?
So that I have seen blogs where sentiments have already been expressed with respect to price gouging and HiLo. I have seen sentiments where there are few people saying, “Let us boycott the products where the prices have gone up.”

**Hon. Senator:** Good idea.

**Sen. H. Drayton:** But the reality of the situation is that the public was misled in the language which implied that they would see a reduction of 15 per cent on the price of food, and I think it is necessary that they understand that that could happen. But the chances of seeing a 15 per cent reduction, at this time of the year, with all the new stocks that are coming in, it is hardly likely.

Now, what about the fuel subsidy? The gas subsidy accounts for about 14 per cent of all subsidies, and all that I want to say here to the Government is that we should first reduce the waste in the social services. We need to reduce the waste in all the regional corporations and state companies, and also improve public transportation. Removing the gas subsidy—and that is being contemplated, we know that it has been reduced on premium gas, but the Minister has signalled that this is a matter that is being given further attention.

**Hon. Senator:** Reduced or removed?

**Sen. H. Drayton:** Or removed. There are severe consequences with increases in the cost of every single item we buy, which will be the net result of the removal of a gas subsidy. Now, certainly one understands the economic realities, and at some point in time we are going to have to take pain. That is understandable, but to me it makes more sense to ramp up activities to fulfil the promise of CNG, to improve public transportation—and much has already been said on that—and to reduce the cost of inefficiency in many of the state entities that I have just mentioned.

Now, how many years have we been hearing about CNG? The track record on implementing measures in the budget is abysmal, and sadly, there is no reason to believe there will be any meaningful progress in the short term. Every year there is a wish list. Last years some $26 billion was planned for investment for public and private sector projects, including $8 billion for capital projects. We are not seeing any incremental benefits, at least as yet, and one may say, well, okay, two years is a short time. Now, noone would question that CNG is a desirable green fuel, so why not stop the talk, stop the promises and just get on with building the gas stations within the framework of a proper procurement policy, and then consider reducing gas subsidies?
As mentioned earlier there are fiscal incentives aimed at boosting the private sector, excellent, and some of that I imagine are toward the goal of the elusive diversification of the economy. But why does that goal of diversification remain such an elusive dream? Why is there such a crisis approach to diversification? Why the fixation with direct foreign investment? And there are more questions, and the first is, exactly what specific goals have been set with regard to diversification?

I do not speak about vague statements such as reducing our reliance on oil and gas; I am speaking about specific targets. What percentage of GDP agriculture should represent five years from now? Similarly, what are the targets for ICT, non-oil manufacturing sector, construction, tourism, creative arts and culture? In short, to get where we want to be, we have to first know where that is.

Regarding the second consideration, when I examined the contributions from the various sectors, what is the reality about our economy? In 2012 petroleum accounted for 43.7 per cent of GDP or $67.1 billion. We know that oil and gas, that is the highest single component in the economy, but services combined was 49 per cent or $75 billion, agriculture and sugar a mere .6 per cent or $888 million, and manufacturing 6 per cent or $9.3 billion. Now, as the Minister of Energy and Energy Affairs said earlier, the contribution of energy can be deemed to be much higher because it is an input in economic and commercial life generally. If that is the case, then all economies are energy-driven economies.

So, hon. Minister of Finance and the Economy, I suggest that it is time that we shift the paradigm. I recognize that if the price of gas and the price of oil jump tomorrow, then the picture of the energy sector’s contribution to GDP surges, and it skews the picture in terms of the old paradigm, and with respect to debt to GDP. But that old paradigm is based on a model that we are fast outgrowing. It is an old mindset which is not multi-market development oriented. It is not a situation that we are not achieving diversification, we are. The statistics over the past five to seven years show that. I want to suggest that Trinidad and Tobago is a diversified energy and services based economy, with services increasingly assuming a dominant and more stabilizing role. Now, let me break that down.

I think the question is deepening investment. Where we are already fairly strong, and which has the potential for growth. The goal of Trinidad and Tobago becoming an international financial centre is certainly worthy of pursuit, but as this goal begins to gestate, it will deepen and widen opportunities for increased revenues from financial support services. Clusters of industries will develop around that sector, administratively, operationally; ICT should also expand, creating healthy downstream sectors.
However, while it would generate many specialized jobs, it will not afford the thousands of technical and other secondary and tertiary level graduates coming on the market annually seeking secure and well-paying jobs, and further, that sector will become more susceptible to shocks in the global economy; we know that.

But financial capital has already taken off, aptly aided by information and telecommunications technologies as we see from the statistics. What we need to do now is to deploy production capital. Hence just as we strive to deepen investments in the financial sector, using financial capital, similarly, we must deepen other industries such as the construction industry, and one way to do that is by the Government butting out operationally from sectors such as low-cost housing—and it has made initiatives in that regard—and also education and state facilities maintenance. The construction industry should then experience less volatile cycles of bust and boom, and a more stable base for employment opportunities.

It is production capital that would mop up the liquidity in our system, and there are tremendous opportunities in the clusters involving agriculture, and I am hoping that the momentum that we had seen in agriculture will continue, because we were seeing a very nice momentum. So you have the agriculture, agro-based foods, tourism, beverages and entertainment.

Now, we can take shocks if we can feed ourselves, and also ensure water security. There is a silent water crisis creeping globally, so water security is critical. There are great opportunities for clusters in health and education. Then there is cluster of creative and cultural industries, the cluster of textiles and fashion, assembly type and related industries. We are already strong in many, if not all, of these industries.

So, in summary, what I am advocating is that, given our size, given the size of the labour market, and given the number of industries in which we already have huge investments of human, physical and financial capital, it is not a matter of diversification, but it is rather concentric strategies to deepen and strengthen the non-oil manufacturing sector, and is why I laud the incentives that we have seen for the private sector.

So this calls for other innovative strategies by the private sector to generate local and regional demand because it is all on the basis of local and regional demand for goods and services, and that is how the private sector may transform itself, and how greater restructure of the economy will be achieved. But I think we have to shift the mindset from this energy-based economy. So instead of, you know, moving more in that mindset, with respect to the non-oil sector, we are still hanging on to a very volatile area.
About the public/private sector partnership: simply put, I would be extremely nervous about this in the absence of procurement legislation, and the early establishment of an independent procurement regulator. I would also be nervous in the absence of election campaign finance legislation that would make corporate donations transparent. The public should be nervous. There are two major components of expenditure that dominate the budget, namely transfers and subsidies, and wages. Transfers and subsidies contributed 51 per cent of expenditure in 2012, in 2010 it was 52 per cent, and if we go way back a few years to 2007 it was 45 per cent.

So what constitutes transfers and subsidies? The major items are URP, CEPEP, GATE, petroleum subsidies, deficits of state enterprises and state-owned corporations, to name a few items. So the crux of our problem is not petroleum subsidy, or not only petroleum subsidy, but it is also transfers to state enterprises that are inefficient, statutory bodies, regional corporations, state-owned corporations, in most of which accountability is a huge question mark. We know, because the audited annual reports that you are supposed to see for instance, for the regional corporations, they are a generation old—today in our generation, a generation old.

Mention has already been made of the significant planned deficit of the $7.8 billion, and continued spending, so much more than we earn, but I also want to mention or remind the Minister, that there is an intendancy for the Minister to approach Parliament for supplemental funding during the year that further increases the deficit. This has been going on as far as I can recall.

6.15 p.m.

I just want to highlight the real state of the economy, and I want to put it in the context of a four year. I know all Governments when they come into office, there is that feeling that the world actually started with the day they come into office, but I think we cannot look at the economy in the context of two years. We have to look and see the trends, and I see Minister Tewarie smiling, so he understands what I am saying. Right?

But in 2008, the GDP was $175 billion; 2012, it is $153 billion. The balance of payment overall surplus deficit was a surplus in 2008 of $2.7 billion; today it is $752 million. The trade balance was plus $56.7 billion; today it is $34.7 billion. The public sector debt as a percentage of GDP was 24 per cent; today it is 46.6 per cent. Between 2010—if you want to look at the world from 2010—from 2010—2012, it went from 32 to 46.6. Inflation actually is down. Inflation was 12, it is now 6.6. Earlier on this year it was somewhere about 10 moving beyond 10 per cent. It is now 6.6. This is why I cannot rationalize the tie in with VAT and inflation at all. It sounds more like “vaps” than VAT.
Productivity was 7 per cent, it is now down to minus 4.3 per cent. The unemployment rate was 4.6; it is now 4.9, and I think many of us continue to question that figure back then as we are questioning it now. And, of course, oil and energy revenues, $29.9 billion; now it is $18.6 billion. The fiscal balance in 2008, which was $2.9 billion, it is now minus $6.6 billion; and land and building taxes, that was 83, it is now $11 million; the VAT revenues were 6.3, it is now 6.4 and it is likely to decline. The wage bill has gone up from 6.9 to 7.6.

So, basically, what I am saying, Madam Vice-President, all revenues are trending that way—[Motions downwards]—and expenses, of course, have been trending this way—[Motions upwards]—and the subsidies and transfer which account for 51 per cent of our budget has remained intractable.

Before I close, I want to comment on a couple of items. I have to mention Clico, and the Minister knows that I will mention Cico. If ever there was a travesty of justice it is the entire Clico affair. This Government has bailed out an institution to the value of $19 billion; yet we are not getting the reports quarterly as was promised to be delivered to the Senate by the Government. You see, this is a serious issue of trust and confidence. It is really an issue of trust and confidence in what the Government says and whether in fact we can believe anything that the Government says.

As a matter of fact, we are not too sure whether we could believe anything that is said in this budget, and that is what happens when your word comes cheap. What is going to happen after that $19 billion? A few more is being spent on a commission of enquiry. We will get a nice, big, fat report like UDeCott, that tells us everything we already know about failures, in fiduciary responsibility, about greed, misappropriation of investors’ fund, lack of regulation and failure to enforce what was there. I am so glad to hear the Minister of Justice, Sen. Christlyn Moore, speak about the Government’s intention for swift justice. I am very glad to hear that. That being the case, I hope that the principle applies to Clico; I hope it applies to HCU and I hope it applies to more famous cases. And this is why I say that talk is cheap.

Madam Vice-President, there is a gap to be filled in governance across the land, and that gap is not just more regulation, it is more fundamental than that. Critical is a need for a culture of ethics. At the helm of this process will be ethical leaders who would promote collaborative community relationships based on respect, trust, confidence and mutual interest. We need to bring the regional, financial, production and security grids into alignment. Critical are the harmonization of regulatory and supervisory systems and a method of coordination across the region. There is need for such a framework because that was the profound lesson that came out of Clico, HCU and the global financial debacle.
Concerning regulation: currently only public companies are mandated to be audited. Large private sector companies that wield significant economic power, and who may be subscribers to political donations, operate under woefully inadequate Companies Act. The current legislative framework for accountancy and auditing activities, that is similarly outdated. The regulatory profile for insurance companies and credit unions are also woefully inadequate.

So Madam Vice-President, as we strive to transform the economy, there is need for conversation among social and economic groups about core economic values—\[Interrupt\]

\section*{PROCEDURAL MOTION}

\textbf{The Minister of the Environment and Water Resources (Sen. The Hon. Ganga Singh):} Madam Vice-President, I wish to move the Procedural Motion in accordance with Standing Order 9(8). I beg to move that the Senate do continue to sit until 10.00 p.m.

\textit{Question put and agreed to.}

\textbf{APPROPRIATION (FINANCIAL YEAR 2013) BILL, 2012}

\textbf{Sen. H. Drayton:} So, Madam Vice-President, I am just on the last few words. As we strive to transform the economy, there is need for social and economic groups to discuss core economic values. There is need for conversation on what constitutes a just society.

Let me close by congratulating the Minister for all of his efforts. I know you have just come in, and all the research that was required to be done, it would have been impossible to do it, but I do have the confidence, as we go forward, that you certainly would be watching our debt and there will be a difference with respect to the Ministry of Finance and the Economy.

Thank you, Madam Vice-President. [Desk thumping]

\textbf{The Minister of Communications (Sen. The Hon. Jamal Mohammed):} Thank you very much, Madam Vice-President and Senators of the Senate. I am very happy to be here this evening to offer a few comments as the Senate continues to debate the budget presentation by the hon. Minister of Finance and the Economy, Sen. The Hon. Larry Howai.

We have to congratulate Sen. The Hon. Howai for his presentation, the theme of which is, “Stimulating Growth and Generating Prosperity”. He recently joined this Cabinet at the same time as I did along with Sen. Marlene Coudray and the
Leader of Government Business in the Senate, Sen. Ganga Singh, and he came in at a time when important decisions had to be made with regard to the economy and with regard to the budget that he has presented. So he came in at a very opportune time, and he was able to prepare and present that budget and completely piloted the presentation in the Lower House and he did an excellent job, and he is back here today in this Senate [Desk thumping] and we warmly congratulate him for his effort and we can see the finances and the economy of Trinidad and Tobago are in great hands. [Desk thumping]

I want to congratulate the other speakers who have contributed here in the Senate. From the Opposition we have to congratulate Dr. Lester Henry even though we may not have understood what he was talking about [Laughter] he still made a contribution and we thank him very sincerely. [Laughter and desk thumping] We congratulate Sen. Subhas Ramkhelawan. Using his expertise in the financial world, he has brought a lot of experience to bear and we congratulate and appreciate his comments that what he has said.

I want to congratulate the youthful and energetic Minister of Energy and Energy Affairs, Sen. Kevin Ramnarine, [Desk thumping] who has taken control of a most important and significant Ministry in the governance structure of Trinidad and Tobago, and he is doing an excellent job as we heard today, as exemplified today by his contribution in the budget debate. [Desk thumping]

I, too, want to congratulate Sen. Shamfa Cudjoe, coming in from Tobago, representing the young people of Tobago, and whatever else you might say about her, she is a determined young lady—[Interruption]

Hon. Senator: “Eh heh.”

Sen. The Hon. J. Mohammed:—and we congratulate her for her efforts here today.

As usual, I pay my respects to Sen. Corinne Baptiste-Mc Knight for an excellent contribution, but most of all, I want to say a special, extra special word of congratulations to our new Minister of Justice, Sen. Christlyn Moore on her maiden speech. [Desk thumping] You can see she just joined us a couple days ago and you can see a vision is there. [Interruption and Desk thumping] You can see—that she has a plan, and finally justice will be served to the people of Trinidad and Tobago and, of course, we have to congratulate Sen. Helen Drayton.

So, we have reached the stage in the Parliament, in the Senate, with our debate for the budget and I have to congratulate all those who have spoken before me, all of the experiences that were outlined, all of the words of commendation and all of the
Appropriation Bill, 2012

Monday October 15, 2012

[SEN. THE HON. J. MOHAMMED]

comments that were made, we have a good Senate and I congratulate everyone for their contribution so far, ably, under the guidance of you, Madam Vice-President. I congratulate you. [Desk thumping]

But you know, Sen. Howai today in his presentation at this place and in the other place, you have to take into consideration what he met when he came into office as Minister of Finance and the Economy. I want to spend a few minutes, if you will permit me, to put on record this Parliament’s appreciation for the job that was done by the previous Minister of Finance, the hon. Winston Dookeran, the Member of Parliament for Tunapuna. [Desk thumping]

I just want you to imagine for a moment, Madam Vice-President, what it was like when he became Minister of Finance in May of 2010. Think back for a while, his first day in office—and imagine what it would have been like—at the Ministry of Finance. I could well imagine public servants coming up, “Mr. Dookeran, Mr. Dookeran, look, we have this problem with Clico that is costing billions of dollars.” He took the paper and put it one side.

Another public servant would come and say, “Mr. Dookeran, Mr. Dookeran, look, we have problem to pay VAT refunds, billions of dollars”; another public servant would come and say, “Mr. Dookeran, look, we have the problem we are owing contractors in this country billions of dollars”, that is another problem; another person would come and say, “Mr. Dookeran, we have public service negotiations going on and the public servants want more money.”

All of these things were on his plate in May of 2010. All of these things people wanted more money. We are owing this, we are owing that, and he, many people mistake his quietness for a sense of weakness, but he is a very organized gentleman. Minister Dookeran was able to organize the economy, and all of the problems that we faced in May of 2010, and offered solutions.

He did not choose to sweep these matters under the carpet, which is the problem of the last administration. [Desk thumping] That is one of their major failures, and that is why they may never see the face of Government again, because whenever there is a problem with that administration, they always sweep it under the carpet and leave it for somebody else and hope something, divine providence will intervene and will solve the problem.

But, take a page from the book of Minister Dookeran, he approached every single one of those problems frontally. He expressed it to the country, and the people knew what we were facing, and he offered a solution. From his very first budget to his second budget, he offered solutions to the major problems that were facing our economy. [Desk thumping]
So, when Mr. Howai came into office—[Interruption]

**Sen. Beckles:** “So why you moved him?”

**Sen. The Hon. J. Mohammed:**—earlier in this year, he faced a situation where Mr. Dookeran had laid the foundation to solve a lot of the problems that we faced, [Interruption] and Mr. Howai, now, has come up with a plan to stimulate growth and to generate prosperity in Trinidad and Tobago, and we want to warmly congratulate him for what he has presented and what he is offering to the people of Trinidad and Tobago. [Laughter]

It is in fact a technically very sound budget. One of the things we have noticed about this budget for this year is that there are hardly any, if any at all, critical comments about the technical aspects of the budget, because the majority of the country and the people who are involved in finance and in the economy, they understand that this budget is a good budget as presented by the Minister of Finance and the Economy. [Desk thumping]

Minister Howai’s acumen and his financial prowess have certainly come to the fore, and one of the reasons he is one of the most knowledgeable and acceptable financial experts in Trinidad and Tobago, has been seen in his presentation for the budget of this year. [Desk thumping]

Not only that, Madam Vice-President, Mr. Howai has told us—and this is something that all of us who are Ministers in this Government and those who are involved in the governance structure—now that he has outlined his proposals in the budget, and now that all of the Ministries know what their expenditures are going to be, what the PSIP is going to be; he has promised, as Minister of Finance and the Economy, to ensure that everyone gets down to the job of doing what they are supposed to do in the various Ministries of Trinidad and Tobago.

6.30 p.m.

I mentioned at the beginning, Madam Vice-President, that I happened to join the Cabinet the same time as Mr. Howai did, and the same time as Mr. Ganga Singh did, and the same time as Ms. Marlene Coudray did, and we had the recent addition of Ms. Christlyn Moore as Minister of Justice. Forget about me, I am a nobody, I am stupid, but the other Members of the Cabinet who have just joined the Cabinet, I want this Senate to know—[Interruption]

**Sen. Beckles:** It is recorded in *Hansard*, you know.

**Sen. The Hon. J. Mohammed:** I am stupid and I admit that openly even if it is recorded in the *Hansard*.

**Sen. Dr. Tewarie:** That is not true.
Sen. The Hon. J. Mohammed: Anyhow, I was making the point, Madam Vice-President, that the new additions to the Cabinet of Trinidad and Tobago, it has added a new dimension to the Cabinet, the experience of the Leader of Government Business in the Senate, Mr. Ganga Singh; the experience of Mrs. Marlene Coudray, the experience of the new Minister of Justice and, of course, the experience of the new Minister of Finance and the Economy have added a new dimension to the Cabinet of Trinidad and Tobago. And I want to congratulate our hon. Prime Minister for making these realignments and readjustments in the Cabinet to serve the people of Trinidad and Tobago. [Desk thumping]

Madam Vice-President: Senator, just one minute. I think it would be ignoble of me not to respond to your comments a while ago. I do not believe your appointment to this Chamber, and this Senate, was because you were in any way except of wisdom and of honour. [Desk thumping]

Sen. The Hon. J. Mohammed: Thank you very much for your support, Madam Vice-President, and I appreciate the comment very much indeed. Thank you very much.

So, Madam Vice-President, I was saying that the Cabinet of Trinidad and Tobago has now—we have added a new dimension with the addition of people like Mr. Ganga Singh—very experienced parliamentarian. People do not understand Mr. Ganga Singh and the kind of experience he brings to bear in the Parliament and of course in the Cabinet. We have seen on many occasions the extent of his experience as a parliamentarian here in Trinidad and Tobago.

We have seen all of the allocations that have been made to the various Ministries, some Ministries are getting billions of dollars, some are getting hundreds of millions of dollars. My Ministry of Communication, we are like the poorest Ministry in this Government, we only got $69 million in our budget for this year, and the majority of that money that we have gotten is going towards expenditures, towards the maintenance of CNMG, our state television and media network and GISL, the Government Information Services Limited.

So in our Ministry of Communication we have not received as much money as other Ministries, but we have a very, very important role to play on behalf of the people of Trinidad and Tobago. The basic mandate of the Ministry of Communication, Madam Vice-President, is that we believe that the people of Trinidad and Tobago have a right to know what their Government is doing with their resources.
That is very absolutely clear in our minds in the Ministry of Communication, that the people, the citizens of Trinidad and Tobago, the taxpayers of Trinidad and Tobago, have an intrinsic right to know what their Government is doing so that they can make informed choices and understand what it is that the State is doing with the resources, and the budget clearly outlines many of the proposals of the State and of the Government on behalf of the various Ministries.

So the job of the Ministry of Communication is to ensure that we use every opportunity at our disposal to inform and to keep the taxpayers of Trinidad and Tobago informed as to what their Government is doing. That is the basic, fundamental mandate of the Ministry of Communication.

As Minister of Communication, we intend to use every single media outlet available to us to put out the message of the Government to the people of Trinidad and Tobago. You can call it propaganda; we do not call it that. This is information, so that the people of Trinidad and Tobago would know and become aware as to what the State is doing with their resources so that they can make informed choices; very, very significant role indeed.

It is our duty to use, as I said, every single avenue available to us to extend that information to the people, whether it is in the television, whether it is in the radio, newspapers, the Internet, the World Wide Web, whatever it might be, we intend to utilize these facilities that would avail themselves to the Government to ensure that we spread the message of the State. We believe that knowledge is power. When you understand and you get information, you empower yourself to know what your State and what your Government is doing.

We advise you, Madam Vice-President, and through you the nation and this honourable Senate, that we should not view government information as merely propaganda. That would be taking an extreme view to the issue. If you know what your Government is doing and you understand the programmes and the policies of your Government, you can better understand what it plans to do and you can make informed choices. Sometimes we make choices based on misinformation.

Sometimes we make choices on some things that may not be entirely correct—our information may not be correct. Sometimes we make choices based on perceptions that we get when we hear other people talking, and you know when we talk in Trinidad one thing leads to another, and one idea grows to 10 ideas, so by the time the information reaches to you, one pound becomes 20 pounds, and we gain and we make decisions based on misinformation.
So, the role of the Ministry of Communication, therefore, is to make sure that the people of Trinidad and Tobago get the correct information in a timely manner so that they can make informed choices as to what they are doing. Part of the Ministry of Communication is to ensure that we listen to what is happening in all forms of the media, on the television, on the radio, on the Internet, on the newsprint and we see and we make sure that the information that is going out to the people, one aspect, it is the correct information so that our people will be aware. It brings us then, Madam Vice-President, to the policy of the Government of Trinidad and Tobago in terms of communication and what we hope to achieve at the Ministry of Communication.

Before I became Minister of Communication, there was a Ministry of Foreign Affairs and Communications. The Minister of Foreign Affairs was Dr. Suruj Rambachan, he is now Minister of Local Government, and he had as a Parliamentary Secretary Sen. Nicole Dyer-Griffith, one of the most brilliant and talented young ladies that this country has ever seen. She is a very, very bright young lady. [Desk thumping]

While she was there as a Parliamentary Secretary in the Ministry of Foreign Affairs and Communications, she set about the task of working on the Draft Communications Policy on behalf of the Government of Trinidad and Tobago. That policy is now complete and I just want to share with you, Madam Vice-President, what we intend to bring to the Parliament in a formal way so that the people of Trinidad and Tobago would understand the communications policy of the Government of Trinidad and Tobago:

“It is the policy of the Government of the Republic of Trinidad and Tobago to:

1. Provide the public with timely, accurate, clear, objective and complete information about its policies, programs, services and initiatives.

2. Ensure that institutions of the Government of the Republic of Trinidad and Tobago are visible, accessible and accountable to the public they serve.

3. Employ a variety of ways and means to communicate, and provide information in multiple formats to accommodate diverse needs.

4. Identify and address communication needs and issues routinely in the development, implementation and evaluation of policies, programs, services and initiatives.

5. Consult the public, listen to and take account of people’s interests and concerns when establishing priorities, developing policies, and planning programs and services.
6. Deliver prompt, courteous and responsive service that is sensitive to the needs and concerns of the public and respectful of individual rights.

7. Encourage public service managers and employees to communicate openly with the public about policies, programs, services and initiatives they are familiar with and for which they have responsibility.

8. Safeguard Citizens’ trust and confidence in the integrity and impartiality of the Public Service of Trinidad and Tobago.

9. Ensure all institutions of the Government of Trinidad and Tobago work collaboratively to achieve coherent and effective communications with the public.”

This, Madam Vice-President, is a just a summary of the communications policy which we hope to present formally to the Cabinet and then to the Parliament of Trinidad and Tobago so that we can understand what the Communications Policy is of the Government.

I want to congratulate again former Senator Nicole Dyer-Griffith and Members of her team who worked long, hard hours to put together a beautiful document about which the country will learn in a few weeks from now exactly what is our communications policy. I want to congratulate again former Senator Nicole Dyer-Griffith. [Desk thumping]

This Government, Madam Vice-President, is committed to freedom of the press. We have a press media, whether it is television or radio or newspaper in Trinidad, it is absolutely free. People have the right to publish what they want, to say what they want. Of course there are limits, according to the law, but press freedom is something we encourage here in Trinidad and Tobago. Earlier this year the International Press Institute held their conference in Port of Spain which was attended by several, maybe several Ministers of Government and Members of Parliament who may have been there.

The Prime Minister of Trinidad and Tobago addressed that conference; the President of the Republic of Trinidad and Tobago addressed that conference; but at that conference it was clear that the Government of Trinidad and Tobago is totally and absolutely committed to a free press operating in our country. We may not entirely agree with everything that you publish.

We may not always agree with everything that you print. We may not always agree with everything that you say on television or on radio, but we will give our lives for you to have the freedom to do that as an operational media here in
Appropriation Bill, 2012  
[SEN. THE HON. J. MOHAMMED]

Trinidad and Tobago. And that is a commitment we make on behalf of the Government of Trinidad and Tobago and one that I hope we all take very seriously indeed in this Senate. Press freedom is something we must never take for granted.

In other parts of the world, there are some arms of the media that have no freedom at all. They cannot even publish newspapers. There are no television stations, no radio stations. In some countries it is controlled entirely by the State and there is no form of press freedom in many parts of the world. Fortunately, here in Trinidad and Tobago over the past many years and especially since the past 50 years as an independent country, by and large, this country has enjoyed a strong measure of press freedom and this Government tends to do what it must do to ensure that our press, our media in Trinidad and Tobago remain free, free and absolutely free. [Desk thumping]

But as I said, Madam Vice-President, and I do not want people to get panicky about this statement; people have already had a huge uproar about it. As I said, the main mandate of the Ministry of Communication is to inform the people of Trinidad and Tobago about what the State is doing. We have to use every single opportunity available to us to spread that message to the people of Trinidad and Tobago. Part of the opportunity available to us is the openings that we have in all forms of the media especially on television and on radio.

The Telecommunications Authority of Trinidad and Tobago, which is the body charged with the responsibility of granting licences to television stations and radio stations in this country, they set up an agreement, a licence and anybody who gets a licence to operate a television or a radio in this country they have to sign that licence. That has been part of our regulations since the telecommunications authority started to operate in Trinidad and Tobago. It is nothing new, it has been around since the TATT has been founded and put into operation in our country.

Part of that operational licence which all television stations and radio stations have to agree to is that the Government is entitled to 14 hours per week on every single television and radio station—per week. That works out to about two hours per day, but everybody has come to the conclusion that now it has gone down to one hour per day. So, according to the rules and regulations that every single television station and radio station signed up to before they agreed to the licence from the Telecommunications Authority of Trinidad and Tobago is that the State must be granted one hour per day free of charge to send out its message.
Sen. Bharath: You said two hours.

Sen. The Hon. J. Mohammed: It is two hours but now there is a kind of consensus, a convention, that it has gone down to one hour. I have no problem with that, but if you really want to insist on the two hours that is no problem either. The licence says 14 hours per week. So that is something—that is an avenue we intend to pursue to get out the information from the Government of Trinidad and Tobago to the people.

6.45 p.m.

We have over 30 radio stations in this country and more than 10 television stations and we intend to make an agreement—if you want to say—with these radio and television stations. We are going to ask, most respectfully—we are not going to demand or put demands on anybody. In a most respectful manner we will be making an agreement with the television and radio stations, “Please find some time—our one hour every day—so we can get out Government’s message to the people, the taxpayers of Trinidad and Tobago.”

It is said that we should not be interfering with the monetary obligations or the commercial obligations of these stations, and we do not intend to interfere with that. There are times of the day—prime time, you want to call them; some people call them “drive time” on radio—when the radio stations like to have their advertisements where they make their money. We understand all of that and we are not going to interfere with that. All we are asking is that you follow the letter of the concession that was granted by the Telecommunications Authority and grant to the State its due time every day.

We are not going to force anybody with that, or make it a big problem; we can only achieve this if there is consensus, if there is compromise and if there is dialogue, and this is what we intend to do through the Ministry of Communication, as part of our mandate to spread the word of the job that is being done on behalf of the Government of Trinidad and Tobago.

We believe that the Media Association of Trinidad and Tobago and the Publishers and Broadcasters Association of Trinidad and Tobago should be involved in all of these important things, and the Ministry of Communication is in support of these organizations, to keep a media that is free, strong and vibrant in Trinidad and Tobago, to help them where we can help them, indeed.

We believe that we should open up the media; we believe we should not only be hearing one side of a story; we believe that everyone should have an opportunity to express themselves in the media; we believe in free discussion, open discussion; we believe in exchange of ideas, debates, arguments; let it happen in our media. We are not going to shut down our media and let the people hear only one voice.
There is a great saying that the theory of the free press is not that the truth will be presented completely or perfectly in any one instance, but that the truth will emerge from free discussion. [Desk thumping] This is something very, very important—free and frank discussion. We might not agree with each other, but we have to learn to disagree, with dignity, and we have to find the opportunity and the method by which everyone would get a chance to express themselves.

This Parliament here, as much as you say what you would like to say about it, is an opportunity where we get to exchange ideas, although some of the ideas might be short on that side, but we still get a chance to exchange our ideas, and we exchange and we discuss matters, and we exchange views, and we interact with each other, but at the end of the day the truth comes out, and it will only be presented when you have free discussion.

So this Ministry of Communication wants to open up the media, and part of opening up the media, Madam Vice-President, is to make sure that in all aspects of our media we get to see and hear more of our people, more of our local talent, more of our faces on television. As much as I love America, Canada and England, I would rather see my people on our television stations than anybody else from any other part of the world. [Desk thumping]

Hon. Senator: Well said.

Sen. The Hon. J. Mohammed: We must make a strong effort to ensure that more local talent is featured on all of our radio and television stations. Local talent—more of our people, our creativity, our culture, our music, our dance, our expressions, more of our poems, more of our arguments, more of our debates, more of our schoolchildren, more of our communities, more of Trinidad and Tobago. This is a passionate appeal to all television and radio stations. Let us raise the bar on behalf of the people of Trinidad and Tobago as our contribution to develop Trinidad and Tobago.

We do not have enough. Whatever little we have is woefully inadequate, that represents the total picture of the people of Trinidad and Tobago, this State and this Government are going to do what they can do and what they must do to ensure that, at the end of the day, we are going to see more of our people and more local talent on television and on radio, on behalf of the people of Trinidad and Tobago. I pledge to you, as Minister of Communication, that one of our many goals in this Ministry is to increase the local content in all arms of the media for the people of Trinidad and Tobago.

Sen. Dr. Tewarie: That will strengthen the whole production industry.
Sen. The Hon. J. Mohammed: Madam Vice-President, this whole aspect of the local content and opening up the media is tied in with another aspect of our national development, something which is very, very, very important and very, very significant. As we grow as a nation—we are celebrating our 50th anniversary of independence. It is one of our weaknesses and it is something we have to work on and my Ministry of Communication has a very important role to play, especially communicating this message to our students at primary, secondary and even at the university level and that is developing a sense of patriotism, pride and love for this country.

We have a new Ministry called the Ministry of National Diversity and Social Integration and that practically is their mandate, to develop a sense of patriotism. But it is a problem that we face and we share that concern in the Ministry of Communication with the Minister of National Diversity and Social Integration. The sense of patriotism in our country is at an all-time low. We have things that cause us to feel proud; we see things that cause us to feel proud, but it is not part of our daily routine. Something is missing; something is missing from our people, especially amongst our children why they do not love this country as much as they are supposed to.

I have asked the question in this Senate before and I will ask it again. If tomorrow Trinidad and Tobago goes to war, would you fight for this country? Would you give your life for this country? Would you take up a weapon to defend this country from some invasion from somewhere? I do not know what it might be.

Our sense of patriotism, at all levels, and especially amongst our young people, needs to be encouraged, developed and nurtured. We have to engender in our youngsters—this is something for the Minister of Education and for those connected in this regard—to encourage and develop that sense of patriotism and to make sure that we have a sense of citizenship and what it feels like to be a citizen of Trinidad and Tobago: what are your duties and your responsibilities.

The first week I became Minister of Communication a senior statesman of this country called, and he wrote a letter, and he suggested to me that we should do something about encouraging our students of Trinidad and Tobago to love this country some more. One of the things that we have done—it is a small thing but it was done, and it is one of many things we plan to do from the Ministry of Communication—was that we published the preamble to the Constitution and slipped it into the newspapers a couple weeks ago, just after the independence. It is a start. It is not all that we can do and that we are going to do, but it is a start. Our young people in our country need to appreciate our sense of civic duty and what it takes to be a citizen of Trinidad and Tobago.
 Appropriation Bill, 2012  
[SEN. THE HON. J. MOHAMMED]

This brings me, Madam Vice-President, to a very important aspect of developing that sense of citizenship when it relates to the respecting of our Constitution. Again, I say the young people of Trinidad and Tobago do not understand the seriousness of our Constitution, how important it is, the different aspects of the Constitution, and all of the things that are protected and mentioned in the Constitution; the independent bodies that are mentioned in the Constitution; how we are supposed to deal with them; how we are supposed to treat them; how we are supposed to respect those institutions as citizens of Trinidad and Tobago.

Unfortunately, many of our young people, and including many adults, do not understand these things. When you read the Constitution—and I do not have the time to explain everything—Madam Vice-President, you see different sections in the Constitution. It is our duty to understand all of these things and to pass them on to our children so that they will understand, when they hear of these things, they are protected by the Constitution of Trinidad and Tobago: Office of the President; the Parliament; the Elections and Boundaries Commission; the Director of Public Prosecutions; the Ombudsman; the Judicature; the Supreme Court; the Court of Appeal; the Public Service Commission; the Police Service Commission; the Teaching Service Commission; the Public Service Appeal Board, the Integrity Commission; the Salaries Review Commission and the Tobago House of Assembly. All of these national institutions are mentioned in our Constitution and there are different sections.

The lawyers here will understand what I am talking about. There are different aspects of them that are discussed in the Constitution and it is important that we communicate this message to the young people of Trinidad and Tobago so that they would understand that in Trinidad and Tobago these things are specifically mentioned in our Constitution.

There is a lot of talk, and we understand that—in fact, we are here because we promised the people of Trinidad and Tobago we are going to have constitutional reform. That is part of our agenda and part of our mandate, and that process has started under the guidance now of the hon. Minister of Legal Affairs, Mr. Prakash Ramadhar. Plans are in train for the appropriate consultations and constitutional reform will be taking place soon in Trinidad and Tobago.

The other thing, Madam Vice-President, before I close—I know we have to take a break and so on, and other Senators have to speak after the break—one of the things of the Ministry of Communication—one of the plans that we have—is to recognize the contribution that has been made in the media, the national media folks; all those who have been reporters, all those who have been newspaper
writers and reporters and people who have recorded programmes, television and radio and so on, to the establishment of a national media archive and a national media museum. So much of our history has been recorded by these media people. In all aspects of the State, whenever there is a function, there is some cameraman, some photographer.

So much of our history has been captured by these press people and there are tapes; there are speeches; there are recordings; there are different aspects of the recordings that are available, but we need to preserve them forever, so that 50 years from now, when we are celebrating our 100th anniversary as an independent nation, the children of that time will be able to find out what was happening in 2012 in Trinidad and Tobago when we celebrated the 50th anniversary.

All of this would happen if we have a proper national media archive centre and a national media museum to recognize the efforts of all those who have laboured and worked very hard in the media over the past so many years, and we have to make that effort on behalf of the Ministry of Communication. That is part of our mandate in the Ministry of Communication, to see that we establish this national media archive centre and a national media museum for all time so that people will understand what has happened as part of our history.

One of the things, Madam Vice-President, before I close—I know you want to take a break close to seven o’clock—I would like to state to this honourable Senate and for hon. Senators to know, that we are very, very serious in the Ministry of Communication, that we will do what we have to do to ensure that the people of Trinidad and Tobago understand what their Government is doing. They can only understand what their Government is doing if they get the information, and they can only get the information if we have the avenues to spread that information.

Of course, there are different ways and different things we are going to do, and to attempt to do, to send out that information to the people of Trinidad and Tobago, but, Madam Vice-President, I want to assure you and assure Members of this honourable Senate, that we will do what we have to do to make all necessary means available to the State to send out the message on behalf of the people of Trinidad and Tobago.

I want to say this with all sincerity to my friends opposite—Members of the Opposition—that you, too, have a contribution to make in this effort that is called development and progress here in Trinidad and Tobago. We have, from time to time, heard some very good contributions from those of you on the other side, but there are some times when I have to say—I have to sit—I listened to some things that are said and I hit myself and say, “What are these people talking about?”
Recently, in the Lower House, I heard one of your Members talk. She was complaining about how many state buildings are now being built in other parts of the country. “Why yuh building so many things in Chaguanas; why yuh building so many things in San Fernando”, and she wanted everything to be in Port of Spain. That, for me, is a very unfortunate comment to make. We have a big country—Trinidad and Tobago—and Trinidad and Tobago has so much space, and there are people all over this country. There are hundreds of thousands of people who live all over this country so they, too, are entitled to have official State buildings in their communities, and we must not “kick fuss” over that. [Desk thumping]

That is one of the reasons, Madam Vice-President, I feel sorry for those people on that side, because they are stuck in a warp and they believe that Trinidad and Tobago belongs only near to the lighthouse in Port of Spain. I just want to remind my friends over there that there are other things in Trinidad and Tobago, other activities in Trinidad and Tobago, other people in Trinidad and Tobago, who live outside of the East-West corridor and this part of the country.

We must open our eyes and breathe easy because there is room for everyone, and this Government, under the distinguished leadership of Prime Minister Kamla Persad-Bissessar—our mandate is to serve all the people from all over Trinidad and Tobago, to make sure the lives of the people all over Trinidad and Tobago—to make sure we are comfortable, happy, safe and secure. She has given us a mandate to do four things: to grow the economy; to create jobs; to reduce poverty and to reduce crime. That is the mandate of the Cabinet on behalf of the people of Trinidad and Tobago.

So, Madam Vice-President, I congratulate once again the Minister of Finance and the Economy, an excellent budget presentation and I commend it to all Members of this Parliament and, indeed, the national community, as a blueprint for development on behalf of the people of Trinidad and Tobago.

I thank you very much. [Desk thumping]

Madam Vice-President: Hon. Senators, I propose to take a dinner break of 45 minutes and resume at 7.45. This sitting is now suspended until 7.45 p.m.

7.00 p.m.: Sitting suspended.

7.45 p.m.: Sitting resumed.

Madam Vice-President: Sen. Lambert.
Sen. James Lambert: Thank you, Madam Vice President. As has been said by Sen. Jamal, while it is my second occasion here, but it is my maiden speech since I came in on the 22nd, just a few days before my leader and other Ministers came in.

Madam Vice-President and other Members of this honourable Senate, I feel very honoured to be given the opportunity to participate in this debate on the people’s budget that has been presented by the hon. Minister of Finance and the Economy, Sen. Larry Howai. Before I get into the actual debate, I would like to make a few comments. Firstly, I would like to thank the hon. Prime Minister, Kamla Persad-Bissessar, for giving me the second opportunity to serve in this honourable Senate and, by extension, the working class and people of Trinidad and Tobago. [Desk thumping]

I would also like to congratulate and applaud the hon. Minister of Finance and the Economy. After approximately four months, he was able to conclude all the daily-rated financial negotiations in Trinidad and Tobago. [Desk thumping] [Crosstalk] Based on my background, as a trade unionist, I would go straight into negotiations.

Public sector negotiations were due to have started in January 2008, for the period 2008—2010, under the former PNM Government. The former Government did not complete one single public sector negotiation, not one. [Desk thumping]


Hon. Senator: Repeat that.

Sen. J. Lambert: The former Government, the People’s National Movement, did not complete one single public sector negotiation for the period 2008—2010. [Desk thumping]

Sen. Al-Rawi: “How many times your union marched?”

Sen. J. Lambert: I am getting to that.

Madam Vice-President, as we are all aware, the People’s Partnership Government came into power on May 24, 2010, but the difference between the past and this present Government, being here for approximately two and a half years, it settled 39 negotiations. [Desk thumping] I want to repeat. In two and a half years the People’s Partnership Government has settled 39 public sector negotiations. That is performance. [Desk thumping]

Notwithstanding, the People’s Partnership Government made a very fundamental mistake in the manner in which a 5 per cent increase on wages was offered to all public sector agencies—as a conclusion for all the bargaining agencies within the public sector—by saying “Take it or leave it, nothing more”. That statement caused fury among the labour movement, which included myself.
However, after several meetings and demonstrations by the leaders and members of the labour movement, we broke the barrier from 5 per cent to 9 per cent. Thanks, again, to the new Minister of Finance and the Economy, together with the endorsement of the hon. Prime Minister, Kamla Persad-Bissessar [Desk thumping] for listening to the cries of the working class in this lovely Republic of Trinidad and Tobago. However, these types of negotiations and collective bargaining must never happen again.

Madam Vice-President, this is really the people’s budget presented by the hon. Minister of Finance and the Economy, Sen. Larry Howai. I have listened to many budget presentations from 1962 to the present, but this one is unique. It is special because, in the past, whenever a budget is expected to be presented, there has always been anxiety and panic against the people of Trinidad and Tobago; always a rush to purchase gasoline, kerosene and foodstuff for fear of increased prices and decreased purchasing power, but with this budget presentation the entire nation was calm and peaceful. Congratulations, again, to the Minister of Finance and the Economy. [Desk thumping]

This came about because the People’s Partnership Government held a budget rally for the people at Mid Centre Mall. With all the criticisms leveled against the hon. Prime Minister and the hon. Minister of Finance and the Economy, by the Opposition, it was a very wise and commendable idea because the majority of people felt a sense of belonging [Desk thumping] hence the reason why it was branded as the people’s budget. [Desk thumping]

Madam Vice-President, since the People’s Partnership Government came into power on May 24, immediately after, there were several disasters. We must not forget that; flooding of the worst kind and blowing off of houses’ rooftops. As a nation, we really have to commend the Prime Minister and her Government, as well as supporting agencies, for their quick responses. [Desk thumping]

I want to also congratulate the hon. Minister of Housing, Land and Marine Affairs, especially the Housing Development Corporation (HDC) under his Ministry with its Chairman and Board of Directors and, most importantly, the Managing Director, Jearlean John, for the magnificent job they are doing. Outside of oil and gas, the Housing Development Corporation is a great contributor to the progress of the economy of the Republic of Trinidad and Tobago. [Desk thumping]

Madam Vice-President, their responses as they relate to delivery of houses to distressed families, HDC was the first to offer daily-rated employees 9 per cent. It is commendable. For over 50 years daily-rated workers have been seeking to get a pension plan, but to no avail. We have tried on several occasions. In 1994, the
former Government, under the former Prime Minister of Trinidad and Tobago, Patrick Manning, had promised the labour movement, particularly the daily-rated workers; we had also almost had a principled agreement on pension plan, but to the amazement of the labour movement, and NUGFW in particular, the services of those workers were not taken into consideration, hence the reason we were not able to get a pension plan.

Today, I am proud to announce that the Housing Development Corporation is preparing a draft to send to the Cabinet for approval in keeping with the Housing Development Corporation Act. This Act clearly stipulates that the HDC Act—when it came into office from NHA to HDC—said, specifically, that a pension plan shall be given to both the monthly and daily-rated workers as stipulated in the Act.

Madam Vice-President, I will now turn to a situation about the domestic workers in Trinidad and Tobago. The International Labour Organization, Convention No. 189 on Decent Work for Domestic Workers, was adopted on June 16, 2011. This treaty offers specific protection for domestic works and, more specifically, spells out the basic rights and principles entitled to them, Conventions applicable to Trinidad and Tobago for the lawful institution of decent work practices for all our domestic workers. This Convention requires the Government of Trinidad and Tobago to implement a series of measures with the objective of making decent work a reality for all affected.

Article 3 of the Convention No. 189 states:

“2. Each Member shall, in relation to domestic workers, take the measures set out in this Convention to respect, promote and realize the fundamental principles and rights at work, namely:

(a) freedom of association and the effective recognition of the right to collective bargaining;

(d) the elimination of discrimination in respect of employment and occupation.”

Madam Vice-President, the ratification of this Convention also translates into a commitment from the Government of Trinidad and Tobago to the International Labour Organization for the implementation of all obligations under the Convention which include but are not exclusive to periodical reports on implementation measures. It is necessary for the Government of Trinidad and Tobago to protect the interests and rights of domestic workers.
Article 6 of the ILO Convention 189 mandates:

“Each Member shall take measures to ensure that domestic workers, like workers generally, enjoy fair terms of employment as well as decent working conditions and, if they reside in the household, decent living conditions that respect their privacy.”

Under Trinidad and Tobago laws, domestic workers are not considered to be workers. Director General of the International Labour Organization, Juan Somavia, is noted as calling for domestic workers to be brought on par with other categories of workers. However, they are recognized in accordance with the Minimum Wages Order on domestic worker. Minimum Wages Households Assistance Order 1991, Chap. 88:04, stipulates the conditionalities of employing household workers such as remuneration, vacation leave and terms and conditions of employment.

The National Union of Domestic Employees, abbreviated as NUDE, is the only union in Trinidad and Tobago of its kind, representing approximately 10,000 domestic employees. These workers’ labour rights are not included in the collective bargaining process, but are outlined in the Minimum Wages Order on domestic workers. Newspapers classifieds continuously advertise employment opportunities for domestic workers. Government initiatives would protect fellow citizens and provide opportunity for redress in instances where employer/employee lines have been crossed.

Testimonials: a lady who began as a domestic worker but ended up carrying out responsibilities for an elderly gentleman infected with tuberculosis, found out about contracted illness at the doctor. Her services were subsequently terminated when she took sick leave. In the end, the lady had no recourse; the law was not on her side; also, health and safety issues.

8.00 p.m.

Madam Vice-President, the National Union of Domestic Employees (NUDE) is asking for the enactment of Convention No. 189. The Convention will be beneficial to society at large if workers are adequately provided for by our responsible Government.

Human resource is every country’s most valuable asset, thus the implementation of adequate governance infrastructure and proper training mechanisms, will facilitate the proper structural framework to propel the nation into further developed status in this regard.
Reference was made to the Minister of Labour and Small and Micro Enterprise Development, the hon. Minister Errol Mc Leod’s launching of the National Register of Domestic Workers approximately two weeks ago. The Minister of Labour acknowledged that domestic workers are excluded from basic labour legislation. The Ministry’s objective is to make a register of domestic workers priority, by creating a better working environment and competitive income for them. The Hon. Minister Errol Mc Leod stated:

“In a globalised world, where competition among developed and emerging economies has intensified, the Trinidad and Tobago labour market will work best when there is an institutional environment that ensures decent work, income and social protection for all workers...”

Page 16 of the Newsday of Tuesday, September 25, 2012 states that the legitimizing of these workers would add to their dignity and sense of work as labourers as well and give them the opportunity for better representation at the Ministry of Labour and the Industrial Court.

As reference is made to the Industrial Court, I would now like to turn attention to the Chief Personnel Officer, highlighting some facts about this office, as well as what improvements can be made in the interest of good industrial relations. The vision and mission of the CPO, as stated in the Industrial Relations Act is:

(1) To be the model provider of contemporary human resource management and industrial relations solutions in the public sector;

(2) To excel in the development of quality human resource management policies, systems and solutions, and in the application of industrial relations best practices for the well-being of the public service and the nation.

Under the Industrial Relations Act, Chap. 88 sections 4(a) and (b), the Chief Personnel Officer, as head of the Personnel Department, is deemed by section 2(4)(a) of the Industrial Relations Act to be the employer for purposes of the said Act, of any three workers employed by the Government, and by section 2(5), to be the employer of any worker employed by the municipal corporation.

The Personnel Department, the head of which is the Chief Personnel Officer, was established by the Civil Service Act No. 29 of 1965, which came into force on August 27, 1966.

Role and responsibilities of the CPO: section 14(1) outlined these as follows:

(a) to maintain the classification of the civil service and to keep under review the remuneration payable to civil servants;
(b) to administer the general regulations respecting the civil service;

(c) to provide for and establish procedures for consultation and negotiations between Personnel Department and an appropriate recognized association or associations in respect of:

(i) the classification of offices;
(ii) any grievances;
(iii) remuneration; and
(iv) the terms and conditions of employment.

Madam Vice-President, we in the labour movement do not believe that the CPO’s office takes into consideration the terms and conditions of the employment of public sector workers. I have said it before and I will say it again in this honourable Senate that I do believe that the CPO’s office, the Chief Personnel Officer’s office, is not operating in the best interest of workers generally in Trinidad and Tobago. I will make that point again. I do not believe the labour movement from which I emerged is operating in the best interest of the working class, particularly the public sector in Trinidad and Tobago. They are a hindrance to productivity and progress, as it relates to negotiations and collective bargaining.

The role and responsibilities:

- to maintain the classification of the civil service;
- to keep under review the remuneration; and
- to provide established procedures…

and so forth.

Who does the Chief Personnel Officer’s department represent? The clients of the Personnel Department include public officers, officers of Statutory Authorities under The Statutory Authorities Act, and workers as defined by the Industrial Relations Act who are in the employ of the Government or the Municipal Corporation. Over time, Madam Vice-President, the department’s functions have expanded to include additional responsibilities, some of which are:

Management of the training fund for daily-rated employees represented by the National Union of Government and Federated Workers;
In 2002/2004 collective bargaining negotiations between the National Union of Government and Federated Workers and the CPO, during these negotiations the NUGFW placed on record $1 million for the purpose of training daily-rated workers in the public sector, and up to this day, Madam Vice-President, not one single worker has been trained. Not one has been trained; 2002 to 2004, to the present time, notwithstanding the administration for the group health plans for daily-rated employees and monthly paid officers and certain office holders under the purview of the SRC on October 19, 2000.

Compensations and benefits: at a press conference at NUGFW head office on August 09, 2012, there was an appeal to the Ministry of Labour for legislation to be brought to Parliament for the amendment of the Industrial Relations Act. I am repeating that again today in this honourable Senate; that the Industrial Relations Act of Trinidad and Tobago needs amendment. Workers of essential services who are prohibited or prevented from taking industrial action; inadequate clauses to persons who retire and are not paid any retirement benefit by the employers; concerns about the applicability of the current Industrial Relations Act, as the nature of work continues to evolve internationally and in Trinidad and Tobago the Industrial Relations Act must reflect 21st Century norms and practices within the working environment.

Workers should not have to wait eight weeks to be a member in good standing in the union for them to be offered representation. Madam Vice-President, a worker who is desirous of becoming a member of any trade union in Trinidad and Tobago to enable them to get representation has to wait eight weeks in good standing before you could get any type of representation.

The need for more speedy settlement on matters also at the court: we are of the view, very strongly, the time is right, and the time is now, that the labour movement is appealing to this caring Government for the amendment of the Industrial Relations Act of Trinidad and Tobago. It affects workers in respect of powers and authority. There is need for the powers vested in the CPO to be revised.

The Registration Recognition and Certification Board: the role is to create and determine the appropriate bargaining unit for collective bargaining purposes, and to certify a union as the recognized majority union in respect of workers in the employ of the employer in the said determined bargaining unit.

Madam Vice-President, this law was not initiated by the People’s Partnership Government. Those are laws that they have met, which they have inherited—1965 to 1972—and therefore that period that we ought to have had those laws amended.
Disadvantages of the board system: The process of achieving recognition is too lengthy and time-consuming. Recognition—to achieve recognition, it is too lengthy and time-consuming. It needs to be simplified. Union books are audited, but, as far as we are concerned, not the employer. To enable you to get recognition, all those things have to be done. The call for the union, “You have to have 50 plus one. Your books have to be audited.” All those sorts of red herrings and red tapes must be done, but the employers’ books and so forth are not being done on the same basis.

So there is no equity as it relates to getting recognition. Therefore, I am of the view, very strongly, that this People’s Partnership Government will have no hesitation. We will ensure that there is amendment to ensure equity among the people in the Republic of Trinidad and Tobago. [Interruption]

The national movement would not do it. The member was there on the other side. It never appealed to them. They never did it. They never did it, neither do I believe it is their intention, because how difficult it would be for them to have the opportunity to do it. Because I am not seeing that they are getting on this side for a very long, long time. [Desk thumping]

The national insurance benefits for employers and employees; no mechanism in place to check; 51 majority required to gain recognition, whereas in other jurisdictions minimum percentage is required. Operation frameworks need to be revised in the interest of all parties involved—provision of unbiased systems.

Madam Vice-President, today the labour movement wants once more to applaud this Government because, as I said earlier on, they inherited for two and a half years that when negotiations were supposed to have started in 2008, they did not.

8.15 p.m.

On the June 22, 2012, I was given the opportunity by the hon. Prime Minister of Trinidad and Tobago to be sworn in, in this honourable Senate. On the very said date, on the Friday, there was a reshuffle by the Prime Minister of the Government of Trinidad and Tobago and the hon. Larry Howai came into being and, therefore, with his incoming, there was a fresh breath of air among the labour movement to ensure that the working class—[Desk thumping]

Today I just want to say too, very strongly, that the recognized majority labour centre for Trinidad and Tobago, recognized by the ILO, is the National Trade Union Centre and, therefore, we did everything. I was happy to be part of that contingent that met with the hon. Prime Minister, the Minister of Finance and the Economy and the Minister of Labour, and they listened.
Today we are saying, whilst the other side that is not part of the National Trade Union Centre will continue in their own way to make their noises, of which they could rightly do so, the National Trade Union Centre has realized, whilst all the bargaining units have not yet been concluded, there is no doubt in my mind that we still have the 2011/2013 negotiations to address.

The Minister of Finance and the Economy has said quite clearly that no longer negotiations and collective bargaining in Trinidad and Tobago will go as long as it did under the People’s National Movement government. [Desk thumping] So, therefore, we are looking forward to ensuring the completion of the 2011/2013 negotiations.

Madam Vice-President, I heard the Minister of Finance and the Economy in his budget presentation did, in fact, mention that there will be four administrative buildings that will be built in Trinidad and Tobago for the regional corporations and amongst them—if I am not mistaken—I heard Penal/Debe, I think Princes Town was one of them, but most importantly is where I live, the Diego Martin Regional Corporation. [Desk thumping]

Madam Vice-President, when Act 21 of 1990 came into being, I was a local government representative. I had the opportunity of assisting in the separation when local government came into being. Today, Diego Martin has developed into over 100,000 people more than even Tobago, and there is not a proper administrative building.

The former PNM Government turned the sod on four occasions in Diego Martin for an administrative building, on four occasions. Up to today, nothing has been done. So I felt so good when I heard that Diego Martin will be given an administrative building. [Desk thumping]

Madam Vice-President, whilst we in the labour movement would demonstrate, we would march and meetings would be held, because of the fact that we represent people; the working class, I was very, very happy—one of the happiest days in my life, with due respect to my friends on the other side—when the PNM Government was voted out of power, on May 24, 2010. [Desk thumping] The reasons for this—I am sure my good friend whom I respect very, very much, the Leader of the Opposition side, Senator Beckles, we have done well over the years.

I was under tremendous pressure by the former Government, when they indicated, through the Prime Minister, that they were going to dissolve two of the regional corporations in Trinidad and Tobago—in Trinidad, sorry. Then, when the Minister at the time, of Local Government, the hon. Hazel Manning, was saying “No”, the Prime Minister was saying “Yes”.
I could recall, I went to Penal/Debe, and I was almost stripped of my clothing because of the fact that nobody was certain which one of the two would have been dissolved. They thought it was Penal/Debe, one time it was San Juan/Laventille, and one time it was Diego Martin. Rio Claro was even mentioned, Arima was mentioned at one time.

Today, when I heard the results, I knew with the incoming of the People’s Partnership, we would be in good standing. [Desk thumping] While we demonstrated—I took part, because of that five per cent—I am happy to announce, not one public sector worker was sent home or terminated. [Desk thumping] When the economy of the country was at the lowest ebb, the Prime Minister of Trinidad and Tobago, the hon. Kamla Persad-Bissessar said, “Nobody will be sent home”.

In 1994, I was still a councillor under the very said PNM, so I think that I am privileged to speak about them. In 1994, 15,000 daily-rated workers were sent home by the Manning administration. [Desk thumping] The NUGFW mounted one of the largest public meetings and said, “Valley in the valley, because Valley must go.” They decided that—we signed an agreement. I could never forget that. It was a Carnival Friday—everybody, all daily-rated workers, as at December 31, 1994, will be made permanent. A pension plan will be in place.

The only thing that was honoured, based on the agreement, was the people who had accrued two effective years. “Valley and them sent everybody home; everybody home.” It took the UNC Government, when the snap election was called, to honour some of the agreements where collective bargaining came back, when the 10 per cent was taken, COLA was taken, all of that. So the labour movement has suffered under the People’s National Movement.

I am saying today, we must not make the mistake, with all due respect to my friends, that PNM under Eric Williams and George Chambers was a different PNM. Under Manning and ongoing.

Hon. Senator: Same thing.

Sen. J. Lambert: Well, they are different; they are different. [Crosstalk] “Nah!” “Hon. Eric Williams and thing, the father of the nation was a little more considerate.” [Desk thumping and laughter] George Chambers was a little more considerate. This one from Manning onwards—and I campaigned, she knows that. The Senator knows that. I am telling you that today, when they speak in terms of the People’s Partnership Government, they have to really bow their heads under the table. They have to bow their heads because this is a Government that cares.
That is the reason this budget that we are debating is so significant. Why, Madam Vice-President? They are afraid of change. The People’s Partnership went, as I said, and carried the budget to the people. The people who go to Eddy Hart ground, who go to Mid Centre Mall, who go to Aranguez, are the poor people who came out in the rain. This Government felt it was necessary to have a pre-budget rally, and hence the reason you see, Trinidad and Tobago, as it relates to this budget, as I have said, is calm and peaceful. They are satisfied because this Government has brought the budget to the people while the others were afraid to do so. Everything was a secret.

Madam Vice-President, when I look at some of the figures that were brought for some of the municipal corporations—I will be more interested, as I have rightly said, because I represent daily-rated workers. I have seen that the hon. Minister of Finance and the Economy revised estimates for 2013, and almost all of them have gotten an increase—while I heard someone mention that the bigger the budget, the money should be bigger.

Even in Tobago, NUGFW represents the daily-rated workers also. I took the opportunity to go to Tobago, particularly on Saturday, and when I heard the hon. Sen. Shamfa Cudjoe said that it had 50 people in that meeting, I was amazed—

Hon. Senator: She cannot count. She never went to school.

Sen. J. Lambert: —because there were hundreds of people in that meeting. I was so happy to see. Outside—no, seriously. Outside of having an election date, and so many people—No, “it hardly had Trinidadians there, hardly, hardly.”

Hon. Senator: “All the yellow band maxi.”

Sen. J. Lambert: “It hardly even had Ministers there.” You were not there. I am telling you, Tobagonians came out, and they are waiting for the bell to be rung.

I cannot understand how the People’s National Movement will have confidence to win an election in this century again. It is serious [Crosstalk]

Hon. Senator: If they cannot find the bell, ring the [Inaudible].

Sen. J. Lambert: Madam Vice-President, take for example, the Arima borough, and where my good friend represented that area for several years, until she was unceremoniously removed, not to the people’s wishes, but she knows what I am speaking about. You know, unceremoniously removed—one of his best Ministers at the time.
The point remains that the Arima borough only had 150 permanent workers during the tenure of my good friend there, when they were one square mile—150. Today they are four square miles with the development of that entire Arima borough, take in Maloney, name it—four square miles—they are still at 150. We want every Ministry that is involved—during the reign of the People’s National Movement, nothing was done, nothing, nothing was done; no improvement whatsoever to the people of Arima.

Hon. Senator: “The bridge still break down.”

Sen. J. Lambert: I am saying today, people have the “idiocity” to come to say that the people of Trinidad and Tobago should vote the People’s National Movement back in power. [Desk thumping] It cannot be.

Hon. Senator: I love the word “idiocity”. “Valley in the Valley.”

Sen. J. Lambert: While the labour movement would have been peeved with the manner—the only thing that happened that brought us together is because of that per cent, and the manner in which it was given. That was all.

So, therefore, with the conclusion of mostly all the negotiations, there is no marching. What are we marching for? To do what? We got together as the joint trade union leaders in a rejection of five per cent, because we felt that the buying power of the workers was not taken into consideration. Maybe five per cent could have been the order of the day, but when you are doing collective bargaining, there is a process and a procedure of how it must be done.

8.30 p.m.

Since it was not done, I think the error was made when one of my colleagues or former comrades felt, that if I take 5 per cent, everybody will have to follow. You cannot negotiate for NUGFW.

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. The Hon. G. Singh]

Question put and agreed to.

Sen. J. Lambert: Madam Vice-President, as we go directly to the budget and looking at COLA and so forth—as I mention COLA, you would see a difference here. In the 2002-2004 negotiations, daily-rated workers got $4 cost of living per day—$4—2005 to 2007—$4. It almost took us five years for a change in the format of how cost of living allowance was being given.
The point remains, the very CPO’s office, you know what they were doing? The San Fernando Municipal Corporation workers under contractors and general workers, they were paying them at the least daily-rated labourers, $176 per day. They were paying the NUGFW in Port of Spain 180 per day. They were giving the San Fernando and Amalgamated workers $4.25 cost of living allowance. I have said and will continue to say, why should we have a differentiation as it relates to cost of living in the public sector in Trinidad and Tobago?

**Sen. Singh:** Good point.

**Sen. J. Lambert:** Because, Madam Vice-President, when you go to the market or you go to the store, they would not ask you if you are a monthly-paid or if you are daily paid or if you are an agriculturist or so. They will say that is the price of the goods.

The People’s Partnership Government presently has changed the format of $4 for the entire year. Today, I am happy to announce that the hon. Minister of Finance and the Economy, by the endorsement of the Prime Minister of Trinidad and Tobago, all daily-rated workers, $5.75 for 2008; $5.75 2009; and $6.60 for 2010, which will bring you on par to what monthly-paid is receiving. 

[Desk thumping]

So you are seeing the difference, the difference with the People’s Partnership. Are we going now to say we are reverting to where we came from?

**Sen. Singh:** Not at all.

**Sen. J. Lambert:** You cannot do that. You cannot do that.

**Hon. Senator:** [Inaudible]

**Sen. J. Lambert:** Forget Duke, he is fighting for the extra four. [Laughter] So the people out there are listening.

**Sen. Deyalsingh:** So what words you have to describe Duke?

**Sen. J. Lambert:** I did come here to describe Duke. I came to describe the ill-treatment by the party that you represent, [Desk thumping] and I was there before you.

**Hon. Senator:** “He now come, he now come.”

**Sen. J. Lambert:** “I was in the central executive—the lady knows—general council, highest echelon there, when dem was little boy, could not even walk up de steps.” [Desk thumping and laughter] So I know it inside out.
When the former Prime Minister said to James Lambert, “Make a choice between politics and trade unionism”, I said, “Brother Manning, thank you, I will choose the trade union.” I am happy today.

It was the UNC Government that came back and said, “Lambert from the trade union, you have a contribution to make.” I was here in 2001 when 18/18—I walked the streets, 18/18. “I refused to take salary.”

So you see, when I hear you speak and you are making comparison to me by saying that my former comrade who was here, who left, you hope that I would be able to make the same contribution, I felt you were a little—[Crosstalk]—no, you said to me when I was sworn in, that you hoped that I will follow in the footsteps and do justice because you had loved how my former comrade used to debate.

Sen. Al-Rawi: He was a great contributor.

Sen. J. Lambert: I am not saying no, everybody is great in their own way.

Sen. Al-Rawi: Not a man said so on your Bench.

Sen. J. Lambert: No, they do not have to.


Sen. J. Lambert: No, they do not have to say anything. I am capable of saying I do not depend on people to say what I am [Inaudible]. [Desk thumping] The people out here will so decide. [Desk thumping]

Hon. Senator: Hear, hear!


Sen. J. Lambert: No, he cannot distract me. He knows that.

So when I go again, Madam Vice-President, and I look at Diego Martin, I saw the COLA that had been received, I saw the wages and the overtime, in nearly every Ministry and Regional Corporation there has been an increase, I feel happy. The Express tried to create a problem by saying last week that the CPO says they were not aware. I just want to make the announcement, so all the daily-rated workers out there, not only for NUGFW, Amalgamated in Port of Spain, contractors in San Fernando and the RHAs—and as I am standing I have to take the opportunity again to thank the Minister of Health, Dr. Fuad Khan. He made a public announcement relative, because he felt that 9 per cent was adequate to give the workers under his watch.
I want to say to them that the CPO called me after the intervention, again of the Minister of Finance and the Economy, because I knew he was preparing the budget. He was unable to meet and give directives as the line Minister, but he met on Friday. The CPO’s office called and indicated we will be meeting shortly.

I am saying that I do believe that there is no doubt that this present People’s Partnership Government, what they have done and continue to do—everybody makes missteps. I am not aware or have known that any Government from Dr. Eric Williams to now that has not made mistakes. [Desk thumping] I am not aware of that. So we all make mistakes but the abundance of mistakes that you have made on the other side, you had to leave. [Desk thumping]

Therefore, Madam Vice-President, I am very happy, the opportunities given. I want to again thank the hon. Prime Minister, all her Ministers of Government, the Minister of Finance and the Economy, for giving me this opportunity to serve the people of Trinidad and Tobago and we will continue to do so in the future. I so thank you. [Desk thumping]

ADJOURNMENT

The Minister of the Environment and Water Resources (Sen. The Hon. Ganga Singh): Madam Vice-President, on that note, I beg to move that this Senate do now adjourn to tomorrow, Tuesday, October 16, 2012 at 10.00 a.m.

Question put and agreed to.

Senate adjourned accordingly.

Adjourned at 8.39 p.m.