

Leave of Absence

Wednesday, April 02, 2014

SENATE

Wednesday, April 02, 2014

The Senate met at 10.00 a.m.

PRAYERS

[MR. PRESIDENT *in the Chair*]

LEAVE OF ABSENCE

Mr. President: Hon. Senators, I have granted leave of absence to Sen. The Hon. Gary Griffith and Sen. Dr. Lester Henry, who are out of the country.

SENATORS' APPOINTMENT

Mr. President: Hon. Senators, I have received the following correspondence from His Excellency the President, Anthony Thomas Aquinas Carmona SC, O.R.T.T.:

“THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

By His Excellency ANTHONY THOMAS AQUINAS
CARMONA, O.R.T.T., S.C., President and
Commander-in-Chief of the Armed Forces of
the Republic of Trinidad and Tobago.

/s/ Anthony Thomas Aquinas Carmona O.R.T.T. S.C.
President

TO: MR. NAZEEMOOL MOHAMMED

WHEREAS Senator the Honourable Gary Griffith is incapable of performing his duties as a Senator by reason of his absence from Trinidad and Tobago:

NOW, THEREFORE, I, ANTHONY THOMAS AQUINAS CARMONA, President as aforesaid, in exercise of the power vested in me by section 44(1)(a) and section 44(4)(a) of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you, NAZEEMOOL MOHAMMED, to be temporarily a member of the Senate, with effect from 2nd April, 2014 and continuing during the absence from Trinidad and Tobago of the said Senator the Honourable Gary Griffith.

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 1st day of April, 2014.”

Senators' Appointment

Wednesday, April 02, 2014

“THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

By His Excellency ANTHONY THOMAS
AQUINAS CARMONA, O.R.T.T., S.C.,
President and Commander-in-Chief of
the Armed Forces of the Republic of
Trinidad and Tobago.

/s/ Anthony Thomas Aquinas Carmona O.R.T.T. S.C.
President

TO: MR. STUART YOUNG

WHEREAS Senator Dr. Lester Henry is incapable of performing his duties as a Senator by reason of his absence from Trinidad and Tobago:

NOW, THEREFORE, I, ANTHONY THOMAS AQUINAS CARMONA, President as aforesaid, in exercise of the power vested in me by section 44(1)(a) and section 44(4)(b) of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you, STUART YOUNG, to be temporarily a member of the Senate, with effect from 29th March, 2014 and continuing during the absence from Trinidad and Tobago of the said Senator Dr. Lester Henry.

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 28th day of March, 2014.”

OATH OF ALLEGIANCE

Senators Nazeemool Mohammed and Stuart Young took and subscribed the Oath of Allegiance as required by law.

**JOINT SELECT COMMITTEE
(APPOINTMENT OF)**

Mr. President: Hon. Senators, I have received the following correspondence from the Speaker.

“March 25, 2014

Sen. The Hon. Timothy Hamel-Smith
President of the Senate
Office of the President of the Senate
Level 2, Tower D
International Waterfront Centre
1A Wrightson Road
PORT OF SPAIN

Honourable President,

Appointment of a Joint Select Committee

At a sitting held on Friday March 21, 2014, the House of Representatives agreed to the following resolution:

“BE IT RESOLVED that the Legislative Proposal entitled ‘the Draft Houses of Parliament Service Authority Bill, 2014’ be referred to a Joint Select Committee of Parliament for its consideration and report no later than May 31, 2014”.

At that same sitting, the House of Representatives also agreed to the following resolution:

BE IT RESOLVED that this House appoint the following five Members to serve with an equal number from the Senate on this Joint Select Committee established to consider the Legislative Proposal entitled: the Draft Houses of Parliament Service Authority Bill, 2014.

Mr. Wade Mark, MP

Mr. Colm Imbert, MP

Ms. Marlene McDonald, MP

Dr. Roodal Moonilal, MP

Mr. Jairam Seemungal, MP”

Accordingly, I respectfully request that you cause this matter to be placed before the Senate at the earliest convenience.

Respectfully,

Hon. Wade Mark, MP
Speaker of the House”

PETITION

The Beauty Services Association of Trinidad and Tobago (TBSATT)

The Minister of Tertiary Education and Skills Training (Sen. The Hon. Fazal Karim): Thank you very much, Mr. President. Mr. President, I wish to present the petition on behalf of the members of The Beauty Services Association

Petition

Wednesday, April 02, 2014

of Trinidad and Tobago (TBSATT). The petitioners are desirous of constituting The Beauty Services Association of Trinidad and Tobago into a corporate body by a private Bill so that its aims and objectives could be more effectively achieved.

I shall now ask that the Clerk be permitted to read the petition and that the petitioners be allowed to proceed, Mr. President.

Petition read.

Question put and agreed to: That the petitioners be allowed to proceed.

PAPERS LAID

1. Annual Report of the Heritage and Stabilisation Fund 2012/2013. [*The Minister of Finance and the Economy (Sen. The Hon. Larry Howai)*]
2. Annual Report of the Trinidad and Tobago Securities and Exchange Commission for the year ended September 30, 2013. [*Sen. The Hon. L. Howai*]
3. Annual Audited Separate Financial Statements of the Trinidad and Tobago Electricity Commission (T&TEC) for the year ended December 31, 2010. [*Sen. The Hon. L. Howai*]
4. Response to the Twelfth Report of the Joint Select Committee established to inquire and report to Parliament on Municipal Corporations and Service Commissions (with the exception of the Judicial and Legal Service Commission) on the Re-evaluation of the efficiency and effectiveness of the Statutory Authorities' Service Commission. [*Sen. James Lambert (The Vice-President)*]
5. Response to the Sixth Report of the Joint Select Committee established to inquire and report to Parliament on Municipal Corporations and Service Commissions (with the exception of the Judicial and Legal Service Commission) on the Re-evaluation of the efficiency and effectiveness of the Statutory Authorities' Service Commission. [*Sen. J. Lambert*]
6. Second Report of the Child Protection Task Force. [*The Minister of State in the Ministry of Gender, Youth and Child Development (Sen. The Hon. Raziah Ahmed)*]

10.15 a.m.

**JOINT SELECT COMMITTEE REPORTS
(Presentation)**

**Government Ministries, Statutory Authorities
and State Enterprises (Group 2)**

Trinidad and Tobago Electricity Commission (T&TEC)

Sen. David Small: Mr. President, I have the honour to present the following report as listed on the Order Paper in the name of Sen. Dr. Victor Wheeler:

Fifteenth Report of the Joint Select Committee appointed to inquire into and report on Government Ministries (Group 2), Statutory Authorities and State Enterprises falling under their purview on the Administration and Operations of the Trinidad and Tobago Electricity Commission (T&TEC).

**Municipal Corporations and Service Commissions
Point Fortin Borough Corporation**

Sen. Anthony Vieira: Mr. President, I have the honour to present the following report:

Thirteenth Report of the Joint Select Committee appointed to inquire into and report on Municipal Corporations and Service Commissions on a review of the Administration of the Point Fortin Borough Corporation.

Insurance (No. 2) Bill, 2013

The Minister of Finance and the Economy (Sen. The Hon. Larry Howai): Mr. President, I have the honour to present the following report:

Second Interim Report of the Joint Select Committee on the Insurance (No. 2) Bill, 2013.

ORAL ANSWERS TO QUESTIONS

The Minister of the Environment and Water Resources (Sen. The Hon. Ganga Singh): Mr. President, the Government is in a position to answer questions: 52, 57, 88, 89, 90, 92, 93, 94, 96, 97, 98 and 99. Perhaps, I should repeat that to assist my colleague—questions Nos. 52, 57, 88, 89, 90, 92, 93, 94, 96, 97, 98 and 99. All the other questions—*[Interruption]*

Mr. President: I did not see a 95.

Sen. The Hon. G. Singh: No. 96.

Mr. President: Nos. 94, 96 and?

Sen. The Hon. G. Singh: Nos. 97, 98 and 99. And all the other questions, we ask that they be deferred for two weeks.

The following questions stood on the Order Paper:

**Trinidad and Tobago Police Service
(Details of Vacancies)**

- 62.** With regard to the Trinidad and Tobago Police Service, would the hon. Minister of National Security indicate:
- (a) what is the authorized/established strength of the Trinidad & Tobago Police Service;
 - (b) the actual strength; and
 - (c) whether there are any vacancies for Constables, Corporals and Sergeants; and if so how many vacancies exist? [*Sen. C. Robinson-Regis*]

**Trinidad and Tobago Police Service
(Details of Special Reserve Police Officers)**

- 63.** With regard to the Trinidad and Tobago Police Service, would the hon. Minister of National Security indicate:
- (i) the length of the training period for both the regular and Special Reserve Police Officers and what are the core elements of the training in respect of the SRPs;
 - (ii) how many regular police officers are operational and engaged in the exercise of police duties who are not trained in the use of firearms as at 30th June, 2013;
 - (iii) how many SRPs are in active service within the TTPS without having had training in the use and handling of firearms; and
 - (iv) whether the Government intends to arrange such training and if so, could the Minister state how and when this will occur? [*Sen. C. Robinson-Regis*]

**Trinidad and Tobago Police Service
(Details of Provision of Senior Counsels)**

- 64. A.** Would the hon. Minister of National Security indicate the period of the service provided by the four (4) Senior Counsels, who were engaged by the Trinidad and Tobago Police Service (TTPS), to consult and advise the TTPS regarding the arrest of certain persons under the “Anti-Gang” legislation and the gathering and preparation of evidence against these persons, during the period of the State of Public Emergency which was declared in Trinidad and Tobago on August 21st, 2011?

- B. In addition, would the Minister indicate the total sum (the global figure) paid to these four (4) Senior Counsels, for the provision of their legal services, for the purposes as outlined at (A) above? [*Sen. C. Robinson-Regis*]

**T&TEC - Projects at Estate Trace
(Details of)**

- 82.** With regard to Estate Trace of the Cove compound, could the hon. Minister of Public Utilities inform the Senate:
- (i) whether T&TEC intends to adhere to Town and Country approval No. T9K0165/2009 and remove the overhead infrastructure that was erected in the tree buffer zone that is situated along the Trace;
 - (ii) if the answer to (i) is in the affirmative, when will this be done;
 - (iii) if the answer to (i) is in the negative, could the Minister please state the reason(s) why not;
 - (iv) whether permission and approval was granted by the Town and Country Planning Division to T&TEC for the erection of the light poles in the tree buffer that is situated along the Trace; and
 - (v) if the answer to (iv) is in the affirmative, what is the number of the Town and Country approval document? [*Sen. S. Cudjoe*]

**T&TEC – Processing Time
(Approval and Issuance of Generator Licences)**

- 83.** A. Could the hon. Minister of Public Utilities inform the Senate what is the stipulated processing time for the approval and issuance of generator licences, after applications have been made to T&TEC?
- B. Could the Minister inform the Senate on the status of applications for generator licences made by EIDCOT on May 03, 2013 for three generators situated at the Cove Eco Industrial Business Park in Tobago? [*Sen. S. Cudjoe*]

**T&TEC – Resumption of Negotiations in Tobago
(Details of)**

- 84.** Could the hon. Minister of Public Administration inform this Senate when T&TEC intends to resume negotiations on lease arrangements to formalize the Commission's residency at the Cove Eco Industrial Business Park in Tobago? [*Sen. S. Cudjoe*]

The Civil Service
(Total Number of Contract Workers Employed)

- 85.** Could the hon. Minister of Public Administration provide the Senate with the total number of contract workers employed in the civil service for the years 2010, 2011, 2012 and 2013? [*Sen. Dr. L. Henry*]

Water and Sewerage Authority
(Total Number of Contract and Full-Time Employees)

- 86.** Could the hon. Minister of the Environment and Water Resources say what is the total number of contract and full-time employees at the Water and Sewerage Authority (WASA) for the years 2010, 2011, 2012 and 2013? [*Sen. Dr. L. Henry*]

Atrius
(Details of)

- 87.** With regard to Atrius, could the hon. Minister of Finance and the Economy inform the Senate:
- (i) what is the status of Atrius;
 - (ii) what are the impediments to the transferring of the assets from CLICO to this new entity; and
 - (iii) what activities has the Board of Directors of Atrius been engaged in and are they being paid? [*Sen. Dr. L. Henry*]

VMCOTT
(Details of)

- 91.** With respect to the Vehicle Management Corporation of Trinidad and Tobago, could the hon. Minister of Transport please inform this Senate as to:
- (a) whether the CEO contract at VMCOTT was terminated by the new Chairman of the Board;
 - (b) if the answer to (a) is in the affirmative, on what basis was it done;
 - (c) whether the Chief Operating Officer position at VMCOTT was an existing position prior to 2010;
 - (d) whether the Chairman of VMCOTT is an Executive Chairman; and
 - (e) have the Managers at VMCOTT met the minimum qualifications for their positions? [*Sen. A. Singh*]

**Solomon Hochoy Highway
(Details of Surveillance Bays)**

- 100.** Could the hon. Minister of National Security inform this Senate on:
- (a) the number of surveillance bays currently installed on the Solomon Hochoy Highway and their exact locations;
 - (b) whether a maintenance contract exists for routine upkeep and, if so, the name of the contractor to whom such was awarded; and
 - (c) if the answer to (b) is in the affirmative the cost per month of the contract? [*Sen. D. Baldeo-Chadeesingh*]

**Speed Monitoring Devices
(Status of)**

- 101.** Could the hon. Minister of Transport inform the Senate of the status of the introduction of speed monitoring devices, in particular radar speed guns, to address the carnage on the nation's roads? [*Sen. D. Baldeo-Chadeesingh*]

Questions, by leave, deferred.

**Road Improvement Fund
(Moneys collected)**

- 52. Sen. Camille Robinson-Regis** asked the hon. Minister of Works and Infrastructure to inform this Senate on:
- (i) the amount of moneys collected under the Road Improvement Fund for the period July 2010 to present; and
 - (ii) the use that has been made by the Ministry of the said funds?

The Minister of Works and Infrastructure (Hon. Dr. Surujrattan Rambachan): Thank you Mr. President. The question seeks to find out the amount of moneys collected under the road improvement fund, for the period July 2010 to present and the use that has been made by the Ministry of the said funds.

Mr. President, the road improvement fund was created to deposit revenue collected from the road improvement tax. I am advised that by October 10, 2008, all the laws which established the road improvement tax had been repealed. Subsequently, Cabinet by Minute No. 860, dated April 15, 2010, agreed to the transfer of the remaining balance of \$162,714,429.47 in the road improvement fund to the Consolidated Fund.

Further, Mr. President, the Comptroller of Accounts, by memorandum dated June 17, 2010, informed, inter alia, the then Ministry of Works and Transport, that the bank account for the road improvement fund held by the Central Bank was closed on May 19, 2010, and the balance in this account was transferred to the Treasury suspense account to facilitate the bringing to account of this sum into the Consolidated Fund.

Mr. President, despite the fact that this road improvement fund has been closed, it has not deterred or prevented the Government from continuing with its massive programme of road infrastructural development and this year, for example, including the completion of the Diego Martin Highway expansion, the Valencia Bypass Road and other road improvement works that will positively affect the traffic, 740 projects are being completed between October of last year and this fiscal year. [*Desk thumping*] Mr. President, this involves close to 500 contractors in the country and \$1.275 billion.

As a consequence, Mr. President, no funds were collected under the road improvement fund for the period July 2010 to present. [*Desk thumping*] This means that, based on this response, there is no answer to the question as to what use has been made of the said funds.

Sen. Al-Rawi: Supplemental, Mr. President. Thank you, hon. Minister, for your response. Hon. Minister, of the projects completed as per your answer, from Valencia, et cetera, 740 projects, standing in \$1.275 billion, is the hon. Minister able to tell us where the source of funds for those moneys came from?

Hon. Dr. S. Rambachan: Mr. President, the 740 projects are ongoing. Some have been completed and the rest would be completed by the end of the fiscal year. The sum of \$275 million came out of the PSIP and \$1 billion was raised as part of a bond that is now funding the PURE projects.

Sen. Al-Rawi: Further supplemental. Hon. Minister, of the \$1 billion raised by bond, is the hon. Minister able to inform whether that is floated locally or internationally?

Hon. Dr. S. Rambachan: Mr. President, that is a new question. I would get the answer and bring it back for the Senator.

Sen. Al-Rawi: Further supplemental. Hon. Minister, of the \$275 million arising from the PSIP, is the hon. Minister able to inform us today as to the balance in the PSIP for these allocations that has been unutilized?

Hon. Dr. S. Rambachan: We are utilizing all our funding and we utilize it very efficiently, Mr. President, in that we engage in a lot of value engineering and we are sure [*Desk thumping*] that we get value for money.

Mr. President, in that regard, I am very proud to say that the projects being done by the Ministry of Works and Infrastructure, through the PURE Programme, they do not exceed the budgeted amounts. [*Desk thumping*] In fact, I would say 99 per cent of our projects come in within budget and ahead of time.

Since the hon. Senator raised that issue, just to let him know, for example, in St. Helena there is a bridge that was being built there, that was supposed to be completed by the end of March. It was completed in January. [*Desk thumping*] When that happened we not only saved money but we affected the productivity levels in the country.

Sen. Al-Rawi: Further supplemental. Is the hon. Minister able to tell us whether the tendering for these massive amount of projects was conducted through the Central Tenders Board or otherwise?

Hon. Dr. S. Rambachan: These projects were tendered through Nipdec.

Sen. Robinson-Regis: Minister, would you be able to give us a general idea of the location of these works, please?

Hon. Dr. S. Rambachan: Mr. President, one of the curious questions that always arises when we talk about the work of this Government has to do too with where the work is being done.

For example, a complaint/an accusation has always been made that the Government is not dealing with the East-West Corridor and is doing all the work in the south and central regions.

Mr. President, in that regard, if I take you on a journey you will see that from Diego Martin way up to Toco, works are being done on the East-West Corridor. [*Desk thumping*] For example, the Diego Martin expansion of the highway is going on and right there by the Starlite Shopping Plaza you would have seen some works done there that have alleviated the traffic situation. You would also see that work is going on in Chaguaramas developing that area.

Then, Mr. President, the Arouca Bridge [*Desk thumping*] which has been there for 100 years is now under reconstruction. The Valencia Bypass Road that takes you from Antigua Road into Kangalee Village will bypass Valencia Junction and alleviate the traffic situation there. There are, right now, from Toco coming down, at least four bridges that are being constructed at close to \$40 million. So, wherever you go in the country you are seeing works and works are occurring in the 41 constituencies throughout Trinidad and Tobago. [*Desk thumping*]

Sen. Robinson-Regis: Further supplemental, Mr. President. Hon. Minister, there were protests recently in the Toco area, with regard to some road works that were not being done. Would the Minister be able to tell us when these works would be done, if at all?

Hon. Dr. S. Rambachan: Mr. President, similarly, like we are doing work at the St. Joseph River bridge, which we are now rebuilding after so many years, work is going on in Toco in that particular area, where the landslide took place and it was cleared out and work continues. So work is continuing across the country in all the areas.

Mr. President, if you wish, I can outline the 740 projects. If another question is asked I can come and do that here. I would be willing to.

Sen. Young: Further supplemental, Mr. President. Hon. Minister, I heard you mention a short while ago works being done at the Diego Martin Four Roads area with which I am familiar as is the Hon. Sen. Emmanuel George.

Sen. George: Leave me out of your business.

Sen. Young: With great difficulty. Hon. Minister, could you give us an indication of when it is expected that those works would be completed? Thank you.

Hon. Dr. S. Rambachan: Mr. President, the works in Diego Martin are ahead of schedule and, God willing, with proper weather, they will be completed by the end of August.

Sen. Young: Further supplemental, hon. Minister. Can you give us an idea of the approximate cost of those works?

Hon. Dr. S. Rambachan: Mr. President, I do not have it with me here and I would not like to quote a figure. I would like to give the Senator an exact figure of what it is costing. Of course, there is a budget and with that budget we work within that. And as I said, what we try to do is to always engage in value engineering, so that we always stay within the confines of the budget, unless you have price increases in steel and what have you, that you have some uncontrollable factors.

Sen. Al-Rawi: Further supplemental. Hon. Minister, are you able to tell us whether Nipdec, as the procuring agency for these projects, has been audited to date and, if so, when last?

Hon. Dr. S. Rambachan: I think that is a question you should direct to the Minister of Finance and the Economy.

Sen. Al-Rawi: Hon. Minister, are you able to tell us whether you have direct supervision over these aspects of the programme falling within your Ministry, as it relates to procurement?

Hon. Dr. S. Rambachan: Mr. President, Ministers do not get into the thing of giving out contracts. What Ministers do is they ensure that once a contract has been awarded, and I can assure you that the contracts are awarded by Nipdec, using the rules for tendering and what have you, [*Desk thumping*] the role of the Minister is then to ensure that the country gets value for money and that we build projects that last, not three and four years, but last 100 years.

Sen. Al-Rawi: Further supplemental. Hon. Minister, insofar—[*Interruption*]

Sen. G. Singh: Limit your time.

Sen. Al-Rawi: Not yet, in the new order. Hon. Minister, are you able to tell us whether—insofar as this work is, dealing with the 41 constituencies as you have said—the contracts that were awarded in respect of the Diego Martin River in particular, are included in that allocation that you have described for the Senate?

Hon. Dr. S. Rambachan: Mr. President, I have to get the details of that. I really do not have that in front of me.

Sen. Al-Rawi: Would it help you, hon. Minister, if I were to remind that there was a contract of some \$250 million in respect of Calco, et cetera, raised in the Parliament on several occasions?

Hon. Dr. S. Rambachan: No, Mr. President, it would not help me because that is a drainage matter and has to be directed to the Ministry that deals with drainage.

Sen. Al-Rawi: Is the hon. Minister aware that this matter in fact falls under his own Ministry?

Hon. Dr. S. Rambachan: Mr. President, my Ministry is the Ministry of Works and Infrastructure. There is another Ministry that now deals with drainage, Environment and Water Resources.

Sen. G. Singh: And I want to indicate to the hon. Senator, there is no such contract that exists. Perhaps, it is part of an illusion that he is creating.

Sen. Al-Rawi: Hon. Minister I undertake to bring forward again to the Parliament the information that has already been raised. Thank you.

10.30 a.m.

**Relocation of Government Ministries
(Details of)**

57. Sen. Camille Robinson-Regis asked the hon. Minister of Planning and Sustainable Development:

- A. Could the Minister indicate the study, the author and the date thereof, which underpins the Government's decision to remove three (3) Government Ministries and other state institutions from the capital city to the Borough of Chaguanas?
- B. What is the Government's rationale for choosing Chaguanas for such re-location?
- C. Does the Government anticipate that any residents, businesses and business persons in Port of Spain will be adversely affected by the removal of these ministries and institutions out of their immediate economic space, and if so what specific programme(s) will the Government put in place to deal with such adverse effects?

The Minister of Planning and Sustainable Development (Sen. The Hon. Dr. Bhoendradatt Tewarie): Thank you very much, Mr. President. On Thursday, May 17, 2012, at a post Cabinet briefing, the hon. Minister of Foreign Affairs, and Communications at the time, indicated that it was the intention of the Government of Trinidad and Tobago to relocate the headquarters of three Ministries to the Borough of Chaguanas, as part of its decentralization thrust. These were the Ministry of Tertiary Education and Skills Training, the Ministry of Community Development and the Ministry of Food Production.

Cabinet Minute No. 1750 of December 16, 2010, had already given approval for the allocation of lands for the development of an integrated administrative complex, for the Ministry of Tertiary Education and Skills Training, then known as the Ministry of Science, Technology and Tertiary Education, and some of its portfolio agencies such as the National Training Agency (NTA), YTEPP Limited (YTEPP), the Accreditation Council of Trinidad and Tobago (ACTT), and the National Commission for Higher Education (NCHE). Fifteen acres of land has since been allocated for this purpose. The land is situated just off Nasaloo Ramaya Road, Chaguanas in the vicinity of the Divali Nagar site, and construction on this complex which was expected to commence by the end of March 2014, started yesterday, initiated by the hon. Minister of Tertiary Education and Skills Training. [*Desk thumping*]

In October 2011, the Ministry of Community Development requested the use of approximately 10 acres of land, for construction of offices and other related facilities, for the Ministry of Community Development in the vicinity of the Divali Nagar site. A response to this request is still pending and no final decision has been taken.

In June 2011, Cabinet agreed to the reservation of a parcel of State lands at Factory Road, Chaguanas, for the construction of an office complex for the Ministry of Food Production, Land and Marine Resources, now called the Ministry of Food Production. The proposed offices are expected to house various divisions of the Ministry at one location. The Ministry however, has also been looking into relocation to Farm Road, Curepe, however, no final decision has been taken on the location of this Ministry. So the choice between these two options, for the Ministry of Food Production is not finally resolved.

The sites chosen in the Borough of Chaguanas are strategically placed within one of the fastest growing urban communities in the country. It is easily accessible for all citizens in respect of infrastructure and transportation connections, and will serve to promote Government's plans to decentralize the provision of goods and services, spreading access to goods and services across the country.

It must be noted that the decentralization of Government services for the benefit of citizens, has been a priority for past administrations as well as our administration. The thinking behind decentralization is that it will not only reduce the number of man hours lost daily on the nation's highways, but also to ease traffic congestion in the city centre of Port of Spain, thereby increasing worker productivity and effectiveness. But decentralization in the Chaguanas area will also require greater rationalization of development in the central region and more effective management of traffic. Relocation of these Ministries to buildings owned by the State, will also redound in significant savings to the people of Trinidad and Tobago.

During the period 2002—2011, when the Ministry of Science, Technology and Tertiary Education was located at the Corner of Agra and Patna Streets, St. James, a total of \$41,042,497 was paid in rent, while the National Training Agency has paid approximately \$11,788,353 in rent, for the period 1999 to December 2013. The ACTT, Accreditation Council of Trinidad and Tobago has spent approximately \$10,874,754 in rent, for the period 2005 to December 2013, and YTEPP has spent approximately \$25,135,562.51 in rent, for the period 1991 to December 2013.

Oral Answers to Questions
[SEN. THE HON. DR. B. TEWARIE]

Wednesday, April 02, 2014

The Ministry of Community Development currently spends annually on the rent of office space for the following divisions: the Prime Minister's Best Village Trophy Competition Secretariat, CARIFESTA House, Stanmore Avenue, \$737,438; Community Development Fund, Level 6, Capital Plaza, Frederick Street, Port of Spain, \$386,400. The Ministry of Community Development is therefore expected to save an estimated \$1,122,838 on rent per year, if it were to have its own building. The Ministry of Food Production is expected to save an estimated \$3,739,540 through relocation to a building designed to suit the needs of the Ministry.

Part C of the question: the Government firmly believes that the benefits to be derived from the decentralization of these Ministries, combined with the convenience of having various departments of these Ministries in one location, will far outweigh any adverse effects of relocation. The figures quoted previously also provide a good reason why this Government made the decision to look into alternative options, to the continual rent of properties at fairly exorbitant costs to the taxpayers of Trinidad and Tobago.

It is inevitable that if institutions of the Government move into Government buildings from rental spaces owned by the private sector, the private sector will have to find new tenants or new uses for their buildings. This is not unusual in an open market situation however, it is to be pointed out that new buildings are being constructed in Port of Spain by the private sector and by other entities, and that public buildings in Port of Spain are being refurbished for use.

The decentralization of Government offices in central is also linked to public/private collaborative efforts, to develop the "Four Cs" growth poles in central Trinidad which links together private sector initiatives with public sector at both central and local government levels. Even as we speak, in Port of Spain, new buildings owned by the private sector are also being engaged by the Government for use.

Government is also pursuing a sustainable city of Port of Spain programme, which brings together central and local government coordination, as well as private sector investment. Both initiatives are being coordinated by the Economic Development Board. The purpose of this approach in both instances is to facilitate development, promote investment, enhance commerce and to stimulate life, community, culture and prosperity in Port of Spain and in Trinidad and Tobago.

Thank you very much. [*Desk thumping*]

Mr. President: Supplemental?

Sen. Robinson-Regis: Thank you. Thank you very much, Mr. President. Minister, would you be able to tell us who are the—with whom the Government has partnered in the private sector with this construction? You said it was a private/public arrangement.

Sen. Maharaj: Read it over.

Sen. Robinson-Regis: Yeah, you could read it over and then maybe—

Sen. The Hon. Dr. B. Tewarie: The Member may be making reference to what I said about the development of the “Four Cs” growth pole in central. What I said, was that the decentralization of Government offices in central is also linked to public/private collaborative efforts to develop the “Four Cs” growth pole in central Trinidad. For instance, at the present time, a committee has been set up involving the Economic Development Board, the Chamber of Commerce in Chaguanas, the Mayor and his team from the local government area, and a range of other stakeholders to look at growth pole development in that particular area.

Sen. Robinson-Regis: Minister, would you be able to indicate who is the contractor that is dealing with the tertiary education construction?

Sen. The Hon. Dr. B. Tewarie: I am not aware, but perhaps you can pose a question to the Minister of Tertiary Education and Skills Training.

Sen. Robinson-Regis: Minister, further supplemental. Thank you, Mr. President. Minister, would you be able to indicate why Chaguanas has been chosen for these three locations, is it a question of space? And also, could you indicate the proposed cost per square foot of the construction?

Sen. The Hon. Dr. B. Tewarie: I will not be able to indicate the cost per square foot of construction. Again, perhaps a question could be directed to the Minister of Tertiary Education and Skills Training for that matter. But the reason Chaguanas has been chosen for this area is because first of all, land space is available; secondly, it is centrally located in the country; thirdly, it is a major growth centre for population; and fourthly, in terms of the decentralization of Trinidad and Tobago, what is happening, is that the growth poles that have been identified are in five separate areas of the country. One of them I need to remind Senators is, in fact, the city centre in Port of Spain, and indeed, I left a meeting this morning to come to the Senate this morning, having to do with that particular event involving stakeholders from the community; public and private.

The other four are in the south-west, the south-west peninsula; the north-east area of Tobago, on which I had discussions with the Secretary of the Tobago House of Assembly recently, within the last three weeks; and the north coast of

Oral Answers to Questions
[SEN. THE HON. DR. B. TEWARIE]

Wednesday, April 02, 2014

Trinidad and Tobago which involves five fishing villages on sea coast areas, with traditional communities that require very careful development, and the fourth one is Chaguanas which is the growth area for the largest movement of population based on the difference in population size which has become discernible because of the 2011 census when compared to the 2010. So for all of those reasons and in order to decentralize and develop, and disperse development in the country, Chaguanas was chosen.

Sen. Robinson-Regis: Further supplemental, Mr. President. Minister, would you be able to indicate whether the land that is being used is all State lands or is private land included?

Sen. The Hon. Dr. B. Tewarie: To the best of my knowledge, it is all State land.

Sen. Al-Rawi: Further supplemental, Mr. President. Hon. Minister, in respect of that State land, has that land as it is proposed to be used for construction been disposed of to the persons who are constructing? And if so, has the mechanism of the Central Tenders Board been utilized there? [*Crosstalk*]

Sen. Ramlogan SC: Wrong Minister, wrong question.

Sen. Al-Rawi: It is the correct Minister, correct question.

Sen. The Hon. Dr. B. Tewarie: I must admit I do not fully understand the question, and the second thing is that one of the reasons I do not understand the question is because I do not think that the question is appropriate to the kind of transaction that is involved here, in which State lands are being used by a state entity, to develop a state project for public purpose. [*Desk thumping*]

Sen. Al-Rawi: Thank you, hon. Minister, I understand what you have said in the context that you have put it, perhaps I may put it this way. Hon. Minister, is the project for instance in the context of the answer that you have given, to be built by the state agency itself? In other words then, there will be no contractor other than the State itself building that project?

10.45 a.m.

Sen. The Hon. Dr. B. Tewarie: No, as I said, I am not privy to the issues related to the award of contracts and so on and I suspect, in such a situation, that you will have private contractors, or you may have a mix of public and private contractors; but that is a matter separate and distinct from the ownership of land and the ownership of the project.

These are contractual arrangements that are entered into by the State for the construction of buildings as they do for anything else but, I think, on the specific matters related to the tertiary education Ministry, the questions might be better posed to the Minister of Tertiary Education and Skills Training, who would have much more of the information.

Sen. Al-Rawi: Thank you, hon. Minister.

Mr. President: Leader of Government Business.

Sen. Singh: Mr. President, thank you. I wish to add question No. 58 to the list of answers; in addition to the 12 other answers we are prepared to give. So it is 13 we are prepared for today.

EXTENSION OF QUESTION TIME

Mr. President: Before you proceed on that issue, I need to draw to the attention of the Senate that it is now 10.45 and, therefore, under our Standing Orders, that is the time period for questions, and, therefore, unless it is the wish of the House that we should continue the question period, then we will have to move on to the next order of business.

The Minister of the Environment and Water Resources (Sen. The Hon. Ganga Singh): Mr. President, thank you. We are prepared to answer all 13 questions and we seek the indulgence of the Senate in accounting to the Parliament to answer those questions today.

Assent indicated.

ORAL ANSWERS TO QUESTIONS

Production of Liquefied Natural Gas (Details of)

58. Sen. Camille Robinson-Regis asked the hon. Minister of Energy and Energy Affairs:

- A. Would the Minister indicate what was this country's Liquefied Natural Gas (LNG) production for each of the years 2007—2013?
- B. Is the Minister aware that the Central Bank reported a recent fall/drop by 16.5 per cent in such production? Does the Government accept this finding?
- C. Would the Minister indicate what are the implications of this development on the country's prospects for economic growth in the current and next two fiscal years?

- D. What does the Government plan to do in response to this development?

The Minister of Energy and Energy Affairs (Sen. The Hon. Kevin Ramnarine): Thank you, Mr. President. Question No. 58 from the hon. Camille Robinson-Regis deals with the LNG industry. Before I answer the question, I would like to point out to the Senate that April 2014 is a very significant month for this industry in that we mark 15 years since the first LNG cargo set sail from Point Fortin in 1999 and, by rough calculation this morning at the Ministry, we estimated that close to 4,000 cargoes of LNG have left this country since 1999. That industry has, of course, fundamentally changed Trinidad and Tobago's economy in the last 15 years. So that is the contextual background.

Getting to the answer, Mr. President, the Senator asked to indicate what was the country's LNG production for the period 2007—2013. Before I do that, I would say that all four trains, if they run perfectly for an entire year—for 12 months—should produce approximately 15.3 million tonnes per annum of liquefied natural gas, but the world is not like that and sometimes you have scheduled and unscheduled shutdowns of these trains.

So, for the year 2007, the production was 14.068 million tonnes per annum—and the unit is million tonnes per annum; and these are metric tonnes; for the year 2008, 14.4; for the year 2009, 14.8; for the year 2010, 15.0; for the year 2011, 13.9; for the year 2012, 14.1; and for the year 2013, 14.3; so relatively stable between the range of 14.0—15 in that period of time that the Senator's question refers to.

With regard to part B, the Senator refers to a reported drop by 16.5 per cent in production. The question asked by the Senator did not give the reference from which that 16.5 per cent came, so we had to write to the Central Bank and actually find out where that came from.

The answer is yes, there was a fall in production which was highlighted in the Central Bank's April 2012 *Monetary Policy Report*, but that drop referred to a quarterly period and not an annual period. It referred specifically to the third quarter of calendar year 2011, when compared to the third quarter of calendar year 2010.

The production in the third quarter of 2011 was 3.3 million tonnes as compared to 3.9 for the corresponding quarter in 2010 and that is where the decline of 16.5 came from. So it was not an annual versus annual; it was a quarterly versus quarterly. The reason for that fall was simply because of a

scheduled maintenance event in the third quarter of 2011. These plants, as they get older—we are now 15 years; Train 1 is now 15 years old; Train 4 would now be nine years old—more and more maintenance will be required.

With regard to part C of the question, the answer reads: the production of LNG has since stabilized as indicated by the data provided and there have been modest increases in the last two years, 2012 and 2013. The trend is expected to continue as major maintenance works by Atlantic have been substantially completed and natural gas supply by upstream suppliers has been stabilized.

With regard to part D, what does the Government plan to do in response to this situation? The Ministry, Mr. President, has been proactively handling and almost micromanaging the natural gas supply situation in the country. As you know, for the last three years we have experienced curtailments at Point Fortin and Point Lisas and the Ministry, therefore, literally micromanages the supply/demand balance in the country.

Additionally, the Ministry has undertaken a very aggressive approach to the development of new natural gas resources in the country and that goes without speaking from what we have been reading in the papers. Several new investments by bp, BG and BHP Billiton are planned to bring new natural gas resources into the system. That essentially ends my answer.

Sen. Robinson-Regis: Thank you very much, Mr. President. Supplemental to the Minister: would the Minister indicate whether the Ministry and the LNG have located new markets for the LNG production?

Sen. The Hon. K. Ramnarine: Thank you very much. What has happened, Senator, as you know, in the last five years there has been a shift in the market away from the primary market, which was the United States and to a lesser extent, Spain, and now, the last figures for the year 2013, about 45 per cent of our LNG goes to South America—to Brazil, Argentina and Chile. To a lesser extent, about 15 per cent would go to the Asian markets. So there has been a diversification away from the United States and we expect that trend to continue as the US becomes more self-reliant on natural gas and will become an exporter of LNG in the near future.

Sen. Al-Rawi: [*Glass falls*] Sorry, Mr. President, sometimes when the PNM stands the ground shakes.

Further supplemental to the hon. Minister: hon. Minister, insofar as our contracts for LNG supply are on a standing basis, do we have any mechanism in train to mitigate any shortfall in supply by coalescing or joining in

production/supply arrangements with any other entity? So, we are committed to supply X. We may or may not have X amount. How do we meet the contractual demand where X is in deficit? Do we have any partnership arrangements in gear for that sort of deficit management?

Sen. The Hon. K. Ramnarine: In answering that very long, technical question from the Senator, the off take contracts at Point Fortin are contracts that are held by the multinationals. So they have their customers and they supply their customers based—I am supposing that if there is a deficit, and that deficit would not be large, they may seek to pull from their global portfolio to supply—but Trinidad and Tobago, by and large, Senator, is most likely the most reliable supplier of liquefied natural gas in the world.

Quite recently in the news, there were stories coming out from Egypt where BG had to announce force majeure in Egypt for their LNG trains because the Egyptian government decreed that gas be prioritized for the domestic market in that country specifically for power generation and domestic industries and that caused a downward movement of BG's share price.

I saw in some newspapers where somebody tried to attribute that to Trinidad and Tobago, but that was not the case. It was really Egypt. We have, as far as I know, one of the best reputations in the world for supplying LNG.

Sen. Small: Further supplemental to the hon. Minister: Minister, in your response, you referred to “our LNG”. Could the Minister confirm what is the share of LNG that is under control by the State or state agency, of the 15.2 million tonnes that you referred to?

Sen. The Hon. K. Ramnarine: I know exactly where the Senator is going, but in the interest of giving very accurate information to the Parliament, I would ask that he file another question. It is public information that NGC owns 10 per cent of Train 1 and 11.11 per cent of Train 4 and the rest of the equity is in the hands of multinational corporations and that is a creature of history as you know.

I have gone on record as saying that, as the contracts expire, it is something that we will seek to change in Trinidad and Tobago. I think that is a policy position of all Governments that we would like to see a larger footprint for the Republic of Trinidad and Tobago in our LNG industry.

Caribbean Airlines Limited
(Details of)

88. Sen. Camille Robinson-Regis on behalf of Sen. Dr. Lester Henry asked the hon. Minister of Finance and the Economy:

With regard to the operations and management of CAL, could the Minister state:

- (i) how many non-national pilots received training at the expense of CAL and subsequently left CAL without ever actually working for the airline;
- (ii) is CAL in the process of cancelling the Port of Spain to London route; and
- (iii) what management arrangement is in place for the running of CAL's operations in Jamaica?

The Minister of Finance and the Economy (Sen. The Hon. Larry Howai): Mr. President, the question relates to the operation and management of Caribbean Airlines. With regard to the first part of the question on the number of non-national pilots trained, CAL trained 41 non-national pilots during the period 2008—2013 and they all worked for Caribbean Airlines on contract after their training.

With respect to part (ii), Caribbean Airlines is not in the process of cancelling the Port of Spain to London route; and part (iii), the management arrangement, Mr. Clive Forbes, General Manager, Jamaica Operations has oversight for the Jamaica location. He has a total of 13 other managers who support the management of this operation. Thank you, Mr. President.

Sen. Robinson-Regis: Thank you very much, Mr. President. Hon. Minister, would you be able to indicate whether the CAL route between Port of Spain to London is a successful route? Has it been economically successful?

Sen. The Hon. L. Howai: Mr. President, the London route has not been a profitable route. We are in the process of doing a full evaluation; a route optimization analysis, to determine how best we might be able to rationalize the overall level of routes for Caribbean Airlines, but we have made no final decision with respect to any of the routes. All routes are in the process of being currently evaluated.

Sen. Al-Rawi: Further supplemental: hon. Minister, in that route optimization analysis that you are doing, does that meet the analysis that the new board of CAL was to put in place within 90 days of its appointment?

Sen. The Hon. L. Howai: The board did a full analysis in terms of cost reduction and did submit a report after 90 days, Mr. President. Following the analysis of the report, I then asked that this specific route analysis be done as I

Oral Answers to Questions
[SEN. THE HON. L. HOWAI]

Wednesday, April 02, 2014

was not satisfied with the suggestions and recommendations that came from the first evaluation. Caribbean Airlines had to employ specific consultancy support to assist with the completion of that exercise and the exercise is now due to be completed within the next month.

Sen. Al-Rawi: Further supplemental: Minister, are you in a position this morning to tell us who the consultants were for that report?

Sen. The Hon. L. Howai: No, I do not have the name of the consultant with me, but I am advised they have brought that assistance on board.

Sen. Al-Rawi: Further supplemental, hon. Minister: of the 41 non-national pilots trained in the period 2008—2013, is the hon. Minister able to disaggregate them in the period specifically, year by year, as to the non-nationals?

11.00 a.m.

Sen. The Hon. L. Howai: No, Mr. President, I do not have that detailed information with me, but I can have it for another occasion.

Sen. Al-Rawi: Hon. Minister, are you in a position to tell us whether all work permits and other requirements were obtained for those non-nationals subsequently employed with Caribbean Airlines?

Sen. The Hon. L. Howai: Yes, Mr. President. The note I have here confirms that all of the required arrangements were put in place—statutory, regulatory and otherwise—to ensure compliance with all relevant rules and regulations.

Sen. Al-Rawi: Thank you.

Mr. President: We have another question by Dr. Henry. Sen. Camille Robinson-Regis.

**CL Financial Matter
(Final Resolution of)**

89. Sen. Camille Robinson-Regis on behalf of Sen. Dr. Lester Henry asked the hon. Minister of Finance and the Economy:

Could the Minister state what are the outstanding issues which are affecting a final resolution of the CL financial matter?

The Minister of Finance and the Economy (Sen. The Hon. Larry Howai): Mr. President, the question relates to the outstanding issues which are affecting the final resolution of the CL Financial matter. Mr. President, as you would

perhaps be aware, the cost to the country of the CL Financial bailout—the actual cash that has been put out—is approximately \$20.8 billion. This was done in an effort to preserve the stability of the economy of Trinidad and Tobago. The Government—[*Interruption*]

Sen. Robinson-Regis: Sorry, Minister. Could you repeat the figure? I did not hear it. Sorry, thank you.

Sen. The Hon. L. Howai: Yeah. The figure is approximately \$20.8 billion. To preserve the stability of the economy, and in order to ensure that these funds are repaid, the Government has begun the process of putting arrangements in place so that to the extent that the financial subsidiaries are unable to do so, certain assets will be disposed of.

Mr. President, the Government of Trinidad and Tobago is currently in discussions with CL Financial as to the manner in which the funds expended by the Government will be repaid. However, it should be noted that two of those financial subsidiaries: Clico and British American Insurance Company, are under the control of the Central Bank of Trinidad and Tobago under section 44; while the Clico Investment Bank is subject to liquidation proceedings and, therefore, under the control of the court-appointed liquidator.

Mr. President, there are, in addition, other ongoing matters; primarily the arbitration involving MHTL which affects certain assets of the financial subsidiaries which, again, are outside of Government's immediate control. We have to await the final resolution of these particular arbitration proceedings.

Mr. President, the Government is working towards a resolution of all the outstanding matters in the shortest possible time, and is currently focused on fostering a collaborative approach with controlling entities to facilitate this resolution. Thank you, Mr. President.

Mr. President: Supplemental, Sen. Robinson-Regis.

Sen. Robinson-Regis: Thank you very much, Mr. President. Mr. Minister, I know you said the Government is working to resolve these issues in the shortest possible time. Could you give an idea of what the shortest possible time means?

Sen. The Hon. L. Howai: Yeah. The most critical part of these negotiations relates to the final resolution of the MHTL arbitration, Mr. President. This arbitration can account for almost two-thirds of the value that has been advanced to date. We expect that this arbitration should be concluded towards the end of July of this year.

In the meantime, we are in the process of completing the general terms and conditions of the agreement for repayment with the shareholders of CL Financial, and we have given a six-month time frame—from the end of December last year, which would take us to June 30th this year—by which time that resolution should be completed.

We are in the process of trying to accelerate that time frame and we currently, as at this point in time, do, in fact, have a draft agreement which, by and large, has been agreed subject to the final approval of Cabinet, of course, and subject to the final resolution of the MHTL matter.

Sen. Robinson-Regis: Further supplemental, Mr. President. Mr. Minister, do you have an assessment of the other assets other than MHTL—an assessment of the value of the other assets that may be sold?

Sen. The Hon. L. Howai: Mr. President, the next major asset that we have will be the shares in Republic Bank. The approximate value of this is approximately \$4 billion. I did not walk with that particular number, but it is in the region of approximately \$4 billion, and that will also be utilized to assist with the resolution. There are a number of other assets, particularly, in the HCL group, as well as a number of smaller assets, CL Marine, and a number of other assets, but most of these are already encumbered to lending agencies. So that the next major source of repayment will come from the Republic Bank shares.

Sen. Young: Hon. Minister, further supplemental, if I may. You mentioned the figure of \$20.8 billion as a cost to the people of Trinidad and Tobago to preserve the stability of the economy. Could you please indicate whether that cost includes the advisors that have been hired by the Government to advise you all through this process?

Sen. The Hon. L. Howai: Yes, it does include that cost also. But I should add that there are some additional contingent costs which could potentially arise out of the recent court judgment that the holders of the EFPAs had brought. That has not been included. If that were included, the figure would be approximately a further \$1.8 billion.

Sen. Young: Further supplemental, please, hon. Minister. Could you give us an estimation that to date what is the total cost of advisors to the Government of Trinidad and Tobago with respect to this preservation?

Sen. The Hon. L. Howai: No. Mr. President, I apologize. I do not have that information with me but, of course, would be prepared to provide that at another time as convenient.

Sen. Young: Thank you very much. Further supplemental, hon. Minister. Coming out of the answers given to the hon. Sen. Camille Robinson-Regis: what is the current expected recovery for the people of Trinidad and Tobago?

Sen. The Hon. L. Howai: At this stage, Mr. President, we expect that we will be able to recover all of the funding. Not all of it we expect to recover immediately. We expect some part of it, and depending on what happens with some of these contingent and further liabilities that I mentioned earlier, we could—at this stage, our preliminary estimate—and I want to say this is only preliminary—is that there is approximately three and a half billion which may have to be termed out over a period of time. [*Desk thumping*]

Sen. Dr. Mahabir: It is a further supplemental to the Minister. It builds upon what my preceding Senator had asked, Mr. Minister, and that is, of the almost \$21 billion spent on the matter: how much does the Government of Trinidad and Tobago realistically hope to recover? You indicated earlier that it is an estimated \$20.8 billion. If that is the case, then it appears that Clico was not insolvent.

Sen. The Hon. L. Howai: No. Mr. President, with respect to the latter part of the question, the issue of insolvency related, of course—there were two aspects to it: one, of course, was the question of liquidity and, at the time, given the values that could have been realized from the assets, the company would have been insolvent, at that time. Because if you do recall, at that time, the markets internationally had fallen for a number of assets including the MHTL asset and, of course, the Republic Bank shares were trading in the region of close to \$70 I think per share or thereabout—about \$68 or thereabout or it had fallen to that kind of a level. Since then, of course, that share price has appreciated, so that if one measures the question of the solvency of the company, at that time, the company would have been insolvent.

The Government injected the funds—met all of the commitments to all of the creditors that fell due—and, as a consequence, we were able to work our way out of it to the point where assets values have recovered, and we expect that we should be able, eventually, to recover all of the funds. But, as I said, there is a residual part that will have to be termed out, and that part, even now, in a sense if we had to shut the company down now and sell on, perhaps a distress basis, you would probably not recover that overhang of approximately, as I said, about \$3.5 billion. [*Desk thumping*]

Mr. President: Sen. Avinash Singh.

Sen. A. Singh: Question No. 91 to the hon. Minister—[*Interruption*]

Mr. President: Sorry, I think 91—[*Interruption*]

Sen. A. Singh: Sorry, question No. 92 to the hon. Minister of Food Production. [*Desk thumping*]

Sen. Robinson-Regis: Sorry, Mr. President, before that is answered, I do recall the Minister stating that question No. 90 was also—[*Interruption*]

Mr. President: Yes, it was. Sorry, my oversight.

Sen. Robinson-Regis: So, if I may.

Mr. President: Yes, Sen. Camille Robinson-Regis, we will deal with the next question.

Sen. Robinson-Regis: Thank you very much, Mr. President.

Public Revenue (Details of)

90. Sen. Camille Robinson-Regis on behalf of Sen. Dr. Lester Henry asked the hon. Minister of Finance and the Economy with regard to public revenue, could the Minister state:

- (i) what is the Government's borrowing profile for the short to medium term;
- (ii) is the Government having revenue shortfalls since the start of the fiscal year 2013 to 2014; and
- (iii) if the answer to (ii) is in the affirmative, what is the reason for this?

The Minister of Finance and the Economy (Sen. The Hon. Larry Howai): Mr. President, question No. 90 relates to the public revenue and the Government's borrowing profile. Mr. President, the total proposed loans for 2014 to 2015 amount to TT \$6.6 billion; approximately \$3.1 billion relates to external borrowings and \$3.5 billion to domestic borrowings. We have actually raised the external borrowings and the total amount raised was US \$550 million or approximately TT \$3.5 billion. The domestic borrowings are in the process of being evaluated at the moment. This will comprise \$2 billion from central government loans and \$1.45 billion by way of Government guarantees to be issued on behalf of state enterprises.

Mr. President, there have been no revenue shortfalls since the start of the fiscal year 2013/2014. The overall revenue collected for the period October 01, 2013 to January 31, 2014 of this current fiscal year 2013/2014, was greater than the amount projected to be collected for that period. [*Desk thumping*] The revenue projected to be collected was \$15.644 billion and the actual amount collected was \$18.742 billion. [*Desk thumping*]

Mr. President, since part (ii) is in the negative, part (iii) is not applicable.

Sen. Dr. Mahabir: A further supplemental, Mr. President, to the hon. Minister of Finance and the Economy. Hon. Minister, would you be in a position to indicate to the Senate: what is the addition to the debt stock for the current fiscal year as opposed to the last fiscal year, including contingent liabilities?

Sen. The Hon. L. Howai: Mr. President, as I indicated, with the expectation for additions to the contingent liabilities—that is our Government guarantees—for the current year will be \$1.45 billion. In total, we expect the total debt stock to go up by \$6.6 billion.

Currently, the Government's debt to GDP ratio is \$40.6 billion expected for this year—40.6 per cent, my apologies, Mr. President. That figure includes the \$3.5 billion or the US \$550 million that was recently raised which is the external borrowing component of the debt stock that we had identified. The remainder is not yet in the numbers—the \$2 billion and the \$1.45 billion is not yet in the current numbers—and, therefore, the 40.6 per cent does not include that additional \$3 billion.

Sen. Al-Rawi: Further supplemental. Hon. Minister, thank you. Of the debt to GDP ratio of 40.6 per cent, hon. Minister, does that include the off balance sheet items in terms of debt to GDP ratio?

Sen. The Hon. L. Howai: Yes, Mr. President, it does. It includes all of the Government guarantees that we have put in place. The ratio actually has come down, and that is principally because of repayments of additions to sinking funds and because, of course, the denominator in the computation has actually gone up. The denominator that we are using for this year—that is the total nominal GDP—is in the region of approximately \$175 billion which is significantly above the \$164 billion that we would have used for the last fiscal year.

11.15 a.m.

Sen. Al-Rawi: Further supplemental. Hon. Minister, of the increase in revenue collected in the period October 2013 to January 2014, projected revenue standing at \$15.6 billion and collected at \$18.472 billion; is the hon. Minister able to tell us whether that surplus was as a result of energy or non-energy surpluses?

Sen. The Hon. L. Howai: Yeah. Mr. President, it was a combination of both. First of all, of course, there was the famous or infamous First Citizens IPO in which we collected \$1 billion. There were increased dividends from the energy state enterprise sector, and in fact in all of the other areas of our total revenue stream, we actually showed positive variances.

Sen. Al-Rawi: Are those positive variances year on year comparisons?

Sen. The Hon. L. Howai: Mr. President, yes, there are year on year comparisons. I should indicate that a substantial part of it—the \$1 billion from the IPO would be non-recurrent, and of course some of the dividends would be non-recurrent because they simply reflected the increased performance, or improved performance in the last year.

Sen. Al-Rawi: Hon. Minister, if I were to ask a very simple question in terms of a percentage difference: energy contribution to the surplus as a percentage versus non-energy as a percentage; are you in a position? Just if you are, I do not know if you are or not.

Sen. The Hon. L. Howai: Normally for energy revenues we count that as mainly coming from oil and gas as separate as distinct from the dividend that we would get from those companies. So if I exclude the dividend that came from the energy companies, the bulk of it would have been non-energy. Right. The bulk of it would have been non-energy, but I expect that for the quarter ended March that there should be some improvement simply because of the price of gas, because of the difficulties and the weather patterns which are devolved in North America, and some of the destabilizing influences that occurred in the rest of the world that we did in fact get better gas prices in the first quarter of this year. So we expect that we should see perhaps a bit of a small pick-up in the first quarter of this year over and above where prices were last year. [*Desk thumping*]

Sen. Dr. Mahabir: Further supplemental, Mr. President. On the issue of the public debt, Mr. Minister, would you be in a position to indicate what percentage of your revenues will you be allocating to debt servicing in the current fiscal year?

Sen. The Hon. L. Howai: Just to be sure that I give the correct answer to the Senate, Mr. President, I could get that specific number for the next occasion, and I could share it with the hon. Member at that time.

Mr. President: Sen. Avinash Singh.

Commercial Large Farms Programme (Details of)

92. Sen. Avinash Singh asked the hon. Minister of Food Production:

With respect to the Commercial Large Farms Programme (CLFP), could the Minister kindly inform this Senate as to:

- (a) what is the status of each of the 12 commercial farms in Trinidad and Tobago;
- (b) whether the CLFP is meeting its objectives within the supply side of the Agricultural Sector and indicate with the relevant statistics; and.

- (c) what commodities are being cultivated under this programme and where are the goods being sold?

The Minister of Food Production (Sen. The Hon. Devant Maharaj): Thank you very much, Mr. President. Question 92 relates to the status of the Commercial Large Farms Programme, and part (a) asked: What is the status of each of the 12 commercial farms in Trinidad and Tobago?

The commercial large farms, Mr. President, are only located in Trinidad and not in Tobago. The original objective of the programme was simply to establish 12 large commercial farming enterprises. However, since 2012 the programme was revised, to date a total of 18 farm sites have been identified for operationalization by December 2014.

The status of these 18 commercial large farms is as follows: commercial large farm, PCS Nitrogen, located in Couva; the type of farm, it is a training/model farm; it is in operation currently. Tucker Valley Farm, located in Chaguaramas, vegetables and field crops, and it is in production. Technology farms located in Orange Grove, vegetables and field crops; it ceased production in August 2013, however it restarted production in January 2014. Kent Farms in Orange Grove, aquaculture was the type of production; it is currently awaiting lease. OG Rice Producers located in Orange Grove, obviously in rice production and it is currently in production.

Two Brothers Farm located in Bejucal, producing rice and in production. Two Brothers, Bejucal No. 2, producing rice, in production; Akaloo Farm located in Felicity, rice, in production; Edinburgh farms in Edinburgh, vegetables, field crops, in production; Evergreen Ranch, Picton, livestock, in production; Tucker Energy, Picton, vegetables, tree crops, livestock, in the process of obtaining EMA approval. Trinidad and Tobago Small Ruminant Development Company, Picton, livestock, awaiting statutory approvals; TTABA, Picton, Mixed Farming, site to be re-advertised due to difficulties of TTABA; AGA Agriculture Company, La Gloria, citrus, fruits and vegetables, awaiting statutory approvals; Garden Choice Orchards Limited, La Gloria, citrus, fruits and vegetables. They are currently in the rehabilitation of fields. International Agro-packers Limited, Nariva, rice, in the process of obtaining statutory approvals. Seventeen and eighteen are unallocated: seventeen is located in Mora Valley for cocoa to be advertised, eighteen is located in Felicity for rice to be advertised. When we mentioned statutory approvals, these include EMA, Town and Country, Ministry of Works and Infrastructure, drainage, regional corporations and fire services.

Part (b) asked whether the Commercial Large Farm Programme is meeting its objectives within the supply side of the Agricultural Sector and indicate with the relevant statistics. The commercial large farm originally commenced around the period 2006—2007 under the last administration. However, Mr. President, our records at the Ministry of Food Production indicate that these farms were established with no specific objective in mind. They were established for the purpose simply of establishing a large farm, so the last PNM administration could say they have done something for agriculture.

We searched through the records of the Ministry of Food Production and we found no measureable standards which were set out when these farms were let out. There were no specific production objectives with statistics for various commodities set for this programme. Since the time of its commencement, no vision was taken. There was only an original 12 objectives seeking to establish the 12 large commercial farm enterprises, of which two were to be state-owned and operated, that is Chaguaramas and Mon Jaloux. The policy of the state-owned and operated farms was shelved in 2010 as the People's Partnership Government was of the firm view that the private sector is indeed better poised to engage in efficient commercial agricultural production and that the State should only act as a facilitator. By May 2010, when we came into office, only four of the 12 originally envisioned were allocated.

The Ministry of Food Production, being cognizant of the need to address the threats posed to the nation's food security and also to address the mandate of reducing the annual food import bill, developed the National Food Production Action Plan, 2012—2015. That is this document located in the Parliament for the review of any Senator. Under this plan, a number of commodities deemed to be strategic to the country's food security such as rice were selected as key commodities of focus and, as such, targeted for increased local production.

In order to meet some of the targets set in the action plan, the Commercial Large Farm Programme objective was revised in 2012 to include identifying all unused or underutilized state lands that are suitable for commercial large scale farming for either crop, livestock, aquaculture, and to partner with the private sector to bring these lands into commercial production. As such, the number of large farms under production increased from 12 to its current total of 18 commercial large farming enterprises. [*Desk thumping*] All of these farms are expected to be operational by the end of 2014.

Between the period May 2010 to December 2013, 16 of these farms have been allocated. A further three are expected to be allocated in 2014 via the regular public tendering process. The production objectives: the farm output and farm performance for each commercial large farm is based on each individual farm's

proposed output as indicated in each farm's project proposal document submitted by the Ministry of Food Production. Each farm's output is based on technical considerations, such as the soil and land capability of the specific site, farm management practices and the technologies employed, annual or perennial cropping methods and cycles, type and variety of commodities to be produced, access to irrigation, and so on.

The production targets are therefore based upon each farm's programme of work which is attached to the company's lease document. The Ministry of Food Production monitors the farm output and farm performance based on the programme of work attached to each farm's lease document.

Part (c), Mr. President, relates to what commodities are being cultivated under this programme and where the goods are being sold. I will go through each of these 18 farms.

PCS Nitrogen, farmer training facility and model farm, Couva: greenhouse vegetables, hot peppers, breadfruit and cassava; their marketing outlet, NAMDEVCO, and prior to that, TTABA, before it contracted.

Tucker Valley Farm, Chaguaramas: greenhouse vegetables, onion, sweet corn, hot peppers, cucumbers and now, cherry tomatoes. [*Desk thumping*] I will bring some for the Senate next occasion. Their outlets are Vemco, Hadco, Hi-Lo and Subway.

Technology Farms, Orange Grove: sweet corn, hot peppers, cantaloupe, Vemco, Hadco, Hi-Lo and Subway again.

Kent Farms, Orange Grove: aquaculture, tilapia, and they are looking at Seafood Distributors as mentioned before; they are awaiting their lease.

OG Rice Producers, Orange Grove: rice, NFM. Two Brothers Rice Farm: Bejucal No. 1, rice, NFM. Two Brothers Farm, Bejucal No. 2: rice, NFM: Akaloo Farm, Felicity: rice, NFM.

Edinburgh Farm, Edinburgh: sweet corn, hot peppers, cantaloupe, cassava, Vemco, Hadco, Hi-Lo, Subway and, formerly TTABA.

Evergreen Ranch, Picton: livestock, various supermarket chains. Tucker Energy, Picton: vegetables, tree crops, livestock, no produce to market to date. Trinidad and Tobago Small Ruminant Development Company, Picton: livestock, no produce to date. TTABA, Picton: mixed farming as mentioned before, the plot of land is to be re-advertised.

Oral Answers to Questions
[SEN. THE HON. D. MAHARAJ]

Wednesday, April 02, 2014

AGA Agriculture Company, La Gloria: citrus, fruits and vegetables, no produce to market to date. Garden Choice Orchards Limited, La Gloria: citrus, fruits and vegetables, fresh juice manufacturer.

International Agro-packers Limited, Nariva, rice, no produce to date. Seventeen and eighteen located at Mora Valley and Felicity for cocoa and rice, respectively, have yet to be allocated.

Thank you very much, Mr. President. [*Desk thumping*]

Sen. A. Singh: Supplemental question to the hon. Minister. Could the hon. Minister indicate the capital arrangements between the State and the recipients of each of the existing farm?

Sen. The Hon. D. Maharaj: Mr. President, as far as I am aware, there is no capital arrangement between the State and the leaseholder. The State provides lease to the proposer of a particular agricultural project, and the lease arrangements are worked out between the Ministry of Land and Marine Resources and the applicant.

Sen. A. Singh: Further supplemental, Mr. President. As in the case of the Tucker Valley Farm, it was in operation before 2010 and it then came into operation after 2010, assets owned by the State prior, what are those assets currently?

Sen. G. Singh: Specifically for Tucker?

Sen. The Hon. D. Maharaj: Yeah, specifically—the Tucker Valley Farm, Mr. President, when we assumed office it was in a state of disrepair. That was the Cuban greenhouse experiment that the last administration had experimented with agriculture given their unfamiliarity with that particular industry, and because of the state of disrepair, the proposal from the various applicants included those assets of abandoned greenhouses, and their investment would have been to include rehabilitating the infrastructure as it was on site at the time.

11.30 a.m.

Sen. A. Singh: Further supplemental, Mr. President. These abandoned greenhouses were they at a cost and what were the costs?

Sen. The Hon. D. Maharaj: I am not following you.

Sen. G. Singh: What were they valued?

Sen. A. Singh: The value.

Hon. Senator: The next question. Yes.

Sen. The Hon. D. Maharaj: What was the value of the greenhouses? I do not have that information before me, Senator. If you ask a question again, I will—

Sen. Al-Rawi: Further supplemental. Just for clarification, hon. Minister. You said the Government, the People's Partnership, shut down projects including Tucker Valley—*[Interruption]*

Hon. Senator: No. No. No.

Sen. Al-Rawi: So is it that they were abandoned or shut down?

Sen. The Hon. D. Maharaj: We did not shut them down, they were just uneconomical and they were costing the State. The State at the time, the PNM State, believed in the state approach, the statist approach to agriculture, where the State financed these failed enterprises and drained the economy. So that is why we discontinued that financial haemorrhage, and to engage the private sector, we providing the land as the equity in partnership, and the private sector coming forward to invest their own funds, so that they have a vested interest into ensuring that the farm is a commercial success, as opposed to the model adopted by the PNM, where the State funded and the person farming did not care whether or not the enterprise was making money or not for the State. *[Crosstalk]*

Sen. Al-Rawi: Thank you, hon. Minister. So is that what you meant when you said that the State shelved the programme? Is discontinued and shelved to be equated with abandoned?

Sen. The Hon. D. Maharaj: We shelved the approach of the PNM that caused a haemorrhage on the Treasury in the area of agriculture. *[Desk thumping]*

Sen. Al-Rawi: Further supplemental. Hon. Minister, projects numbers 12, 14 and 16 listed by you in your answer, all of which are not in production and which you have stated are awaiting statutory approvals, and you have clarified by saying statutory approvals include EMA and Town and Country Planning, et cetera. Hon. Minister, is it that you have proceeded to dispose of state lands without obtaining EMA approval prior?

Sen. The Hon. D. Maharaj: No. The hon. Senator, I do not know if he is feigning ignorance, but there is a process in which this has to go through, the lease is awarded, then the applicant taking the lease goes to the EMA and the Town and Country Planning. You cannot go to EMA and Town and Country Planning without having the lease. But I know on the other side, Mr. President, they are not familiar with lease and lease rental and so on. I am sure Sen. Avinash Singh would be a stranger to that.

Sen. Al-Rawi: Sorry. What do you mean by that, hon. Minister?—that Sen. Avinash Singh would—

Sen. The Hon. D. Maharaj: Well—[*Interruption*]

Sen. Al-Rawi: I have not finished yet.

Sen. The Hon. D. Maharaj: Okay.

Sen. Al-Rawi: What do you mean by saying that Sen. Avinash Singh, a Member of this Senate, is a stranger to lease arrangements?

Sen. G. Singh: He said he would be “familiar”.

Sen. Al-Rawi: He said “stranger”.

Sen. The Hon. D. Maharaj: I am not aware that Sen. Avinash Singh is leasing from the State. So I declared that he would be a stranger to lease arrangements.

Sen. Al-Rawi: I see. I am grateful—[*Interruption*]

Sen. The Hon. D. Maharaj: Or if he is a leaseholder with the State, I would be more than happy to retract the statement.

Sen. Al-Rawi: Further supplemental, Mr. President.

Hon. Senator: Let him answer, “nah”.

Sen. Al-Rawi: In respect of the issue of EMA approvals and the phased approach which is to be given, in the event that no EMA approval is obtained, is it that the State will halt the projects?

Sen. The Hon. D. Maharaj: Mr. President, I do not want to engage in hypotheses advanced by the learned—[*Interruption*]

Sen. Al-Rawi: It is not hypotheses. It is a question.

Mr. President: I think it is fair that the Minister cannot be required to answer that question. It is a hypothetical instance.

Sen. Al-Rawi: Sorry. Mr. President, perhaps I should put it this way then. Further supplemental, with your leave. Insofar as you have said that the EMA approval is a statutory approval, is required in respect of projects numbers 12, 14 and 16 of the list of projects, my question to you is, is it that without EMA approval these projects will no longer be put into operation?

Sen. The Hon. D. Maharaj: It is a requirement by the State. We do not envision that there will be any obstacle for this requirement being met because thus far, for all the farms so far allocated and having gone through the process, there have not been any obstacles, and the farms listed in the list of the 16 so far,

we have had similar enterprises such as other livestock projects, other rice projects, other citrus projects. So we do not envision that there is an issue with it. We are ensuring that the lease applicant adheres to all the statutory requirements.

Sen. Al-Rawi: Further supplemental. Is the hon. Minister aware whether any chairman of any state bodies are beneficiaries of any of these 16 projects that he has just listed out?

Sen. G. Singh: So, chairmen of state bodies cannot plant?

Sen. Al-Rawi: I am just asking.

Sen. The Hon. D. Maharaj: Yes. I am aware that a chairman of one state body is an applicant of one of these, but he was not a chairman when he applied.

Sen. Al-Rawi: Sorry. And who is that chairman?

Sen. The Hon. D. Maharaj: The chairman is Mr. Joe Pires and he is a leaseholder of No. 2 Tucker Valley farm, Chaguaramas. As you know, he was the owner of Caribbean Chemicals. His father before him, Joe Pires, was a fixture on the radio, "Agriculture Today", and he has a tradition in agriculture and he applied like everybody else and was successful.

Sen. Lambert: He was a PNM, you know.

Sen. Al-Rawi: Further supplemental. Hon. Minister, are you able to tell us what the impact of these 16 projects has had on the food importation bill in Trinidad and Tobago?

Sen. G. Singh: Significant impact; inflation is down. [*Laughter*]

Sen. The Hon. D. Maharaj: Mr. President, there has been a significant impact of these and other activities of the Ministry of Food Production, which I will go into in my statement a little later; [*Desk thumping*] but as if Sen. Al-Rawi has anticipated me. But what we could point to, Mr. President, is that we have a food inflation rate of 3.2 per cent in Trinidad as of January 2014.

When we came into office 2010, Mr. President, on May when we came in— by April 2010, food inflation in Trinidad and Tobago stood at 29 per cent; it is now 3.2 per cent. [*Desk thumping*] When we came into office in 2010, growth in the sector was negative 32 per cent. We have now secured five consecutive quarters of growth in agriculture; [*Desk thumping*] that is the impact.

Hon. Senator: Well done.

Sen. The Hon. D. Maharaj: That five consecutive quarters of growth in the sector is historic. [*Desk thumping*] No other administration can make that boast. No other Prime Minister can make that boast, and no other Minister of Food

Production can make that boast. [*Desk thumping*] We have had a reduction in the food import bill between 2 and 4 per cent. So that is the impact of these large farms and other activities.

Sen. Lambert: Well said. Well said.

Sen. A. Singh: Further supplemental, Mr. President. Could the hon. Minister indicate what are the water sources of each of the farms—where it is concerned; where the food production is concerned?

Sen. The Hon. D. Maharaj: I would be happy to provide the answer, Senator, if you are asking me, but I do not have that information before me. But having regard to the fact that all of the applicants had to get statutory approvals, including WASA and so on, and EMA, they would have to go through whatever is the legal method of obtaining water.

Sen. A. Singh: Further supplemental, Mr. President. Is the hon. Minister of Food Production aware that these farms are competing with local farmers and what is being done to address that?

Sen. The Hon. D. Maharaj: These farms are local farms. There is not a single foreigner in here. So, I am not following the hon. Senator's line of questioning here. Is it that the State should only engage in subsistence farming and have people eke out a living on two-acre plots of land or one acre or three lots of land? We have engaged in this activity for the objective of achieving food security, making Trinidad and Tobago a food secure nation, reducing our food inflation rate and making Trinidad reduce its food importation bill; and we are succeeding. Because as I have told you, we have reduced food inflation, we have reduced our food import bill, and we have started to export to other countries. [*Desk thumping*]

Sen. Lambert: Well done. Well done.

Sen. Robinson-Regis: Further supplemental, Mr. President. Hon. Minister, given the fact that the Minister of Planning and Sustainable Development has some concerns about CSO, would you be able to say the source of your statistics as it relates to what you have just told us?

Sen. The Hon. D. Maharaj: The Central Bank of the Republic of Trinidad and Tobago. [*Desk thumping*]

Sen. Dr. Mahabir: Further supplemental to the hon. Minister. It concerns the food inflation rate. We know Mr. Minister, it is a multifaceted phenomenon. The food inflation rate is determined by the cost, the importation is determined by the

exchange rate and a number of other factors. I simply wanted to know whether the staff at your Ministry has disaggregated the various causes of the food inflation rate to determine what was the impact of your Ministry's intervention in causing the food inflation rate to be what it is? Thank you.

Sen. The Hon. D. Maharaj: I do not want to hazard an answer to that very detailed question. So I would be happy to give you it at another occasion.

Sen. Ramnarine: It is a good paper; seriously.

Sen. A. Singh: Further supplemental, Mr. President. Is the Ministry of Food Production monitoring the land utilization and commodity production in keeping with the terms and conditions of the lease in all the farms?

Sen. The Hon. D. Maharaj: Yes. That, Senator, Mr. President, is how I am able to tell you that, for example, the TTABA farm at Picton has to be readvertised because we are aware it is not under production. That is the reason why we could tell you that the Tucker Energy in Picton is in the process of obtaining its EMA approval. That is how we could tell you that the Trinidad and Tobago Small Ruminants Development Company is awaiting its statutory approvals and so on. So we are closely monitoring all those who have—because they have a time frame in which to get their farm into operation.

Sen. A. Singh: Further supplemental, Mr. President. If you all would like me to clarify that that lease arrangement, I will be happy to do so. I am the recipient of plot number 2, Mr. President; with your permission.

Sen. G. Singh: No. No. No. No, question.

Sen. A. Singh: Plot no. 2, Connector Road, under the land delivery programme, which was orchestrated by the then hon. Minister of Food Production, Vasant Bharath.

Hon. Senator: A good man. A good man.

Sen. A. Singh: That plot number again; plot no. 2, Connector Road, under the land delivery programme. And I am a recipient of that. I went through the procedure. I applied and I got that. We signed the PTA, which I am told now that there was no Cabinet approval for that said programme. So that is to clarify that issue.

But further supplemental, Mr. President. Can the hon. Minister of Food Production indicate to the Senate, that if some unforeseen circumstance should arise, as in the case of the neighboring country Venezuela, where food is limited and not reaching the citizens, what measures are in place, and how much food does Trinidad and Tobago have in storage as it relates to food security?

Sen. The Hon. D. Maharaj: That is a new question, Mr. President, respectfully. We are engaging in speculation [*Crosstalk*] and in a “Peñaesque” kind of supposition by the hon. Senator [*Desk thumping*] that I do not think— [*Interruption*]

Sen. Al-Rawi: Caroni Central, boy.

Sen. Lambert: Sen. Al-Rawi “like de answer”.

Sen. Al-Rawi: Coming attractions.

11.45 a.m.

**NAMDEVCO
(Details of)**

93. Sen. Avinash Singh asked the hon. Minister of Food Production:

With respect to the National Agricultural Marketing and Development Corporation, would the Minister inform this Senate as to:

- (a) what has been the total budgetary allocation to NAMDEVCO for the period 2010—2013;
- (b) what commodities and value added products are available from NAMDEVCO and how many new export markets have been achieved for the period 2010—2013;
- (c) whether NAMDEVCO prioritizes the marketing of local produce over similar imported commodities; and
- (d) if the answer to (c) is yes, how is the prioritization done and what statistics can be used for analysis?

The Minister of Food Production (Sen. The Hon. Devant Maharaj): Thank you very much, Mr. President. Question 93 relates to: what is the total budgetary allocation for NAMDEVCO for the period 2010—2013.

Mr. President, Standing Orders of the Senate, 17(ix) says very clearly, the answer to which a question cannot be asked, the right of questions—under the section, “Contents of Questions”:

“The right to ask a question shall be subject to the following general rules, as to the interpretation of which the President shall be the sole judge:

- (ix) the answer to which can be found by reference to available official publication;”

And the question asked for information for budgetary allocation which can be found in the draft estimates which are provided for each and every one of us on an annual basis and could be obtained in the Parliament library. Well, obviously, my friend is not aware of it but, [*Interruption*] hopefully by 2017 he would be familiar enough to ask the correct question when he is in the Senate.

Sen. Al-Rawi: What about the rest? You have to answer part (c).

Sen. The Hon. D. Maharaj: Teach them right “nah”. Teach them right. I was not finished as yet. Sorry.

Sen. Al-Rawi: He is so anxious to “buss mark”, he forgot the answer. Try again! [*Crosstalk*]

Sen. The Hon. D. Maharaj: Part (b), Mr. President: What commodities and value added products are available from NAMDEVCO and how many new export markets have been achieved for the period 2010—2013.

The value added products available from the National Cultural Marketing and Development Corporation are:

- lime packs;
- callaloo packs;
- frozen dasheen leaves;
- frozen ochro;
- frozen cassava;
- frozen sweet potato; and
- cassava flour.

New export markets achieved:

- pumpkin to the United States of America;
- a variety of commodities to Barbados; and
- pawpaw to the United Kingdom.

Part (c), whether NAMDEVCO prioritizes the marketing of local produce over similar imported commodities.

NAMDEVCO does not focus on marketing of imported commodities. So part (b), if the answer to (c) is yes, it clearly does not apply. Thank you very much, Mr. President. [*Desk thumping*]

Sen. A. Singh: Hon. Minister, can you tell this honourable Senate how many farmers are certified under the NAMDEVCO Certification Programme?

Sen. The Hon. D. Maharaj: Mr. President, clearly, I would not have walked with that certification number with me here today, so I would be happy to provide it if you ask an official question or I will give you it offline.

Sen. A. Singh: Further supplemental. The hon. Minister indicated that pumpkin has been shipped to the United States, can you indicate as to how much and for what period?

Sen. The Hon. D. Maharaj: I am not in the position to give you how much, but they started in the period 2013. [*Interruption*] If Sen. Al-Rawi has a supplemental question I will be happy to answer.

Sen. Al-Rawi: Further supplemental. Is this from uncle Jack's field of pumpkins in Tobago?

Sen. The Hon. D. Maharaj: No, this is from Mr. Nahous field. [*Laughter and desk thumping*]

Sen. A. Singh: Further supplemental, Mr. President. The hon. Minister indicated that there is no prioritization as to foreign commodities, but just for clarity, as in the Macoya market where foreign commodities are being sold, what is being done to address that situation? [*Interruption*] The space allocated for local commodities, what is being done to address that?

Sen. The Hon. D. Maharaj: I indicated the commodities to be marketed by NAMDEVCO including the lime packs, the callaloo packs and so on. I would not repeat the list. The hon. Senator is making reference to NAMDEVCO's wholesale market located at Macoya and Debe, and those markets, for those who are unaware, provide space for the Caricom commodities in those particular markets and there has been a competition for space. So, it does not qualify as a marketing effort but moreover as a space allocation within the current wholesale market.

Currently we are addressing that issue with the establishment of a new wholesale market in Chaguanas along the main road in the old Woodford Lodge rice bond area and we have already engaged some of the buyers and sellers at Macoya to encourage them to relocate in that market when it opens, by no later than May or June this year, so that we will be able to have more space available for our local farmers in both areas as well as to accommodate the Caricom goods that come into our country on a regular basis.

Sen. A. Singh: Further supplemental. Is the hon. Minister willing to state the estimated cost for that rehabilitation project for that particular site at the Chaguanas area?

Sen. The Hon. D. Maharaj: I can give you an average, I do not have the exact figure, but it is estimated at approximately \$1.9 million or so for the rehabilitation of it, because the site had asbestos and it had to be taken down first and then to re-clad it will cost another \$1.5 million or so.

Sen. A. Singh: Further supplemental. Did the Ministry follow tender process for that particular project?

Sen. The Hon. D. Maharaj: It is not the Ministry engaged in that process, Mr. President, to correct the hon. Senator. It is NAMDEVCO and they did adhere to the tendering process.

Mr. President: Sen. David Small.

**CLICO
(Current Status of the Sale Process)**

94. Sen. David Small asked the hon. Minister of Finance and the Economy:

Given the ruling by the Tribunal ordering the sale of CLICO's 56.53 per cent shareholding in Methanol Holdings Trinidad Limited (MHTL) to Consolidated Energy (Trinidad and Tobago) Limited by January 31, 2014, could the Minister inform this Senate of the current status of the sale process?

The Minister of Finance and the Economy (Sen. The Hon. Larry Howai): Mr. President, the question relates to MHTL and the status of the 56.53 per cent shareholding which is currently under arbitration or, (b) as part of the arbitration in front of the tribunal.

Mr. President, the tribunal had ordered that the two shareholders, CEL and CL Financial, CEL being the group of the foreign shareholders Proman, Helm and Ferrostaal, meet to agree on the terms of a final settlement of the MHTL shareholding by January 31, 2014. The parties met but could not arrive at an agreed value for the shares and the matter was referred back to the tribunal at the end of January. The matter is currently before the tribunal and attorneys for both sides have been making submissions before the said tribunal.

It would be inappropriate for me to comment on this matter at this stage given the fact that it is currently within the remit of the court. It is expected that a decision will be handed down by the tribunal before the end of July. Thank you, Mr. President. [*Desk thumping*]

Mr. President: Next question Sen. Small.

**Petrotrin's Oil Spill
(Details of)**

96. Sen. David Small asked the hon. Minister of Energy and Energy Affairs:

With respect to the oil spill incident in south-west Trinidad, could the Minister inform this Senate of any assessments made by the Ministry of Energy and Energy Affairs and/or Petrotrin as it relates to the following:

- (a) estimated volume of lost oil and/or oil products and the estimated amount of such product(s) recovered to date;
- (b) estimated costs of damage to Petrotrin's oil field and related equipment to date;
- (c) the total volume of COREXIT 9500 and other dispersants used in the spill control efforts to date;
- (d) estimated to date containment costs to stop or reduce further oil spillage (e.g., efforts to cap wells, booms, dispersants, overtime, temporary employment etc.);
- (e) economic damages, (total value and number of citizens), paid to affected citizens to date;
- (f) fines imposed by regulatory agencies to date;
- (g) estimate of the scale of natural resource damage (beaches, mangroves etc.) and the plans for remediation of the affected areas; and
- (h) estimate of natural resource remediation costs such that the affected areas are returned to "pre-spill" condition?

The Minister of Energy and Energy Affairs (Sen. The Hon. Kevin Ramnarine): Mr. President, thank you very much. Question 96, Part (a) and I would just read the answer for the economy of time.

Part (a), the estimated volume of oil lost as a result of the Petrotrin oil spill was 7,554 barrels. The estimated oil recovered to date is 4,343 barrels of oil. With regard to part (b), the estimated costs of damages to Petrotrin's oil field and related equipment to date is TT \$68,000 which represented the cost associated with the replacement of a blown gasket in Riser Platform 5, Trinmar.

With regard to 96 part (c), the total volume of COREXIT 9500A used in the oil spill control efforts is 31 drums, one drum containing 55 gallons. With regard to 96 part (d), the total cost estimated to date to stop or reduce further oil spillage including clean up amount is \$19,369,259.50; approximately TT \$19.4 million.

With regard to part (e), a total of \$9,932,200 was paid to affected interest groups for loss of earnings and clean-up activities as at February 26, 2014. With regard to 96 part (f), the fine imposed by the Environmental Management Authority to date is TT \$20 million. With regard to 96 part (g), the oil spill impacted 10.5 miles of beach along the south-western peninsula and approximately two hectares of mangrove in the Rousillac swamp area. A mangrove rehabilitation and remediation proposal, along with a waste disposal remediation plan, was submitted by Petrotrin to the EMA for their review and consideration.

There is a part (h), I think that is the eighth part of the question: and the answer to 96(h) is, Petrotrin has informed the Ministry of Energy and Energy Affairs that it has prepared a natural resource remediation plan which has been submitted for review and consideration of the Cabinet appointed national environmental task force. That concludes the answer to question 96. [*Desk thumping*]

Sen. Small: Thank you, Mr. President, supplemental question to the hon. Minister of Energy and Energy Affairs. With reference to the plan, can you provide an estimate of the time line for the approval of that plan? The plan which you referred to part (h) of the question and you said a plan has been submitted to the Cabinet.

Sen. The Hon. K. Ramnarine: That plan was submitted for the consideration of the Cabinet-appointed National Environmental Assessment Task Force, and that answer, of course, resides with that task force, but I suppose the answer is something that we could always pose in another question and get it from the task force.

Sen. Small: Further supplemental, Mr. President. Would the hon. Minister be able to say whether or not the assessment of the national resource damage, once that report is complete, would that be available and placed in the public domain?

Sen. The Hon. K. Ramnarine: Yes.

Sen. G. Singh: Mr. President, thank you. I want to give an undertaking that the National Environmental Assessment Task Force, after it goes through the Cabinet process would be placed in the public domain.

Sen. Small: Further supplemental, Mr. President, to the hon. Minister of Energy and Energy Affairs. Given what I understand to be Petrotrin's current financial situation, is the company, when the remediation plan is complete, who is envisaged to deliver on the remediation plan, is it Petrotrin or is it going to be something that is taken on by another State agency?

Sen. G. Singh: Mr. President, I just want to thank the Minister. The National Environmental Assessment Task Force report will determine the extent of the remediation. The first responder has been Petrotrin, so therefore in a situation—I do not want to speculate to say as to where the requirement will lie. But, certainly, when we get the assessment task force—at this stage, Petrotrin is the primary responder.

Sen. Al-Rawi: Further supplemental. Hon. Minister, with respect to the cost in TT dollars of \$68,000 for the blown gasket, is the hon. Minister able to marry that with the statement that they were sabotaged and certain valves were turned on bleeding out oil, made in December 2013?

Sen. The Hon. K. Ramnarine: Mr. President, I thank the Senator for the opportunity for some clarification of information or misinformation in the public domain. What was said in December 2013 when these incidents first started, was that there was compelling evidence with regard to two specific incidents, Riser Platform 5 and the Rancho Quemado leak, that there was compelling evidence that there could be a dimension of sabotage involved.

Those statements were made by Petrotrin. So, there was never a black and white admission of sabotage, but what we said is that—especially with regard to Riser Platform 5 and Rancho Quemado, that there was compelling evidence that sabotage may have been a dimension in those cases.

Sen. Al-Rawi: Further supplemental. Thank you hon. Minister for clarifying that very important issue. So, of the oil lost of 7,554 barrels and the oil recovered at 4,343 barrels, where did this oil come from? Was it by way of sabotage or was there a leak from which this oil came?

Sen. The Hon. K. Ramnarine: Mr. President, a few weeks ago I answered that similar question posed by either the Member of Parliament for La Brea or the Member of Parliament for Point Fortin, and we stated categorically that source of the oil was tank 68 in the tank battery in Pointe-a-Pierre and that was the tank that was being drawn down to fill the Marabella barge and the number 10 sea line was the pipeline that was communicating from the tank to the barge, and that there was a leak with regard to sea line number 10, and that leak is where the source of the spill originated, on December 17, 2013.

12.00 noon

Sen. Al-Rawi: Thank you, hon. Minister. I asked that in the context of you having said that there was still evidence not clarified as to sabotage. But thank you for the clarification.

Hon. Minister, with respect to the liability which has resulted in—you have stated, \$20 million fine to the EMA—that liability standing, I presume, is from Petrotrin, and if that liability is from Petrotrin, as assessed by the EMA as you have told us, in the sum of \$20 million, what further liability is your Ministry contemplating in respect of Petrotrin, whether in respect of its board of directors or its management?

Sen. The Hon. K. Ramnarine: Mr. President, that, of course, is a matter that could be considered for a future question. What I would say, however, is that the Ministry and, by extension, of course, the Cabinet, has been very proactive. The Cabinet, as of, I think, two weeks ago, approved the plan for the National Facilities Audit of the energy sector, whereby the Ministry of Energy and Energy Affairs—and the Ministry conducts audits of the sector—safety and operations audit of the sector—on a periodic basis, as is the contents of a next question from Sen. Small. But the National Facilities Audit now is aimed at looking at the entire sector, not only Petrotrin but the east coast and Point Lisas and Point Fortin and so on, and I think, therefore, that is one policy position that we have taken post this oil spill that we really are ramping up the level of audit work being undertaken by the Ministry of Energy and Energy Affairs, as had been done by bp, as you know, over the last three years on their own facilities.

Sen. Al-Rawi: Thank you, hon. Minister. Hon. Minister, have you, in discharge of your portfolio, in dealing with this issue, arising from your answer, invited the hon. Attorney General to apply the services of the A-team in prosecuting any issues that have arisen in respect of this disaster that has been such a national issue?

Sen. The Hon. K. Ramnarine: Mr. President, I think that is another question and I would answer it—[*Interruption*]

Sen. Al-Rawi: Either yes or no.

Sen. The Hon. K. Ramnarine:—if he were to pose that question in writing, I will answer it.

Sen. G. Singh: It is a question on the Order Paper; the role and function of the AG.

Sen. Small: Thank you, Mr. President. Further supplemental to the Minister of Energy and Energy Affairs. Just for clarification, Minister, I think it is important we have the record correct. When we referred to part (a) of the question, when I asked about “and/or oil products”, I want to clarify that the product was, in fact, fuel oil, so that just make sure that we have the record correct. It is not crude oil; it is fuel oil that was leaked along sea line 10.

Minister, a further supplemental, if you would permit me. The situation in the south-west of the island now, where we are having potentially negative effects on the fish stock, is this something that the Ministry is looking at, or is it something that the Ministry is considering in its overview of what is going on?

Sen. G. Singh: Thank you, Minister and Mr. President. The question straddles portfolios. The IMA and the EMA are conducting tests on the fisheries. What they have indicated so far is that—just at a preliminary level—it is primarily mullet, and we are awaiting the findings of that to make a scientific pronouncement on the issue.

Petrotrin Ultra-Low Sulphur Diesel Project (Details of)

97. Sen. David Small asked the hon. Minister of Energy and Energy Affairs:

With respect to the Ultra-Low Sulphur Diesel project could the Minister inform this Senate as to:

- (a) what is the current completion status of the Petrotrin Ultra-Low Sulphur Diesel Project;
- (b) what is the expected commissioning and start-up date;
- (c) what is the status of completion works by the EPC contractor;
- (d) what is the total expenditure on this project on a year by year basis from 2009 to present and the cumulative spend to date; and
- (e) what is the forecast expenditure to complete the plant and make it operational?

The Minister of Energy and Energy Affairs (Sen. The Hon. Kevin Ramnarine): Thank you very much, Mr. President, and once again I would get straight to the answers and not dwell too much on the questions which are before us in writing.

With regard to part (a), the ultra-low sulphur diesel project was overall 95.98 per cent or 96 per cent completed at the end of February 2014, with offsite work by Petrotrin, 93.11 per cent completed.

With regard to part (b), planned commissioning and start up is expected to be completed by the end of the fourth quarter, 2014.

With regard to part (c), works by the EPC contractor at the end of February 2014 were 98.39 per cent completed, subject to revision by final engineering review.

With regard to (d), the total expenditure on the project on a year by year basis, from 2009 to present and the accumulative spent to date are as follows: to September 2008—and I am just giving one decimal place—US \$6.4 million. With regard to financial year 2009, US \$5.6 million; financial year 2010, US \$101.9; 2011, US \$117.3; 2012, US \$77.9; 2013, US \$48.3 and 2014, US \$9.4, indicating, of course, that the project has been substantially completed.

In terms of the total amount spent so far, as at the end of January 2014, the total amount is US \$366.8 million spent thus far on the ultra-low sulphur diesel plant.

Part (e) asked about the forecasted expenditure to complete the plant, and that number is US \$425 million. That concludes the answer to question 97, Mr. President.

Sen. Small: Thank you, hon. Minister, a supplemental question. Just quickly, on the \$425 million that you just quoted, that is not in addition to the US \$366?

Sen. The Hon. K. Ramnarine: No, no, no.

Sen. Small: I just want to be clear.

Sen. The Hon. K. Ramnarine: I would be scared if it were.

Sen. Small: Well, I was almost sitting. Hon. Minister, if you would permit me, of the almost US \$400 million spent to date on this project—TT \$2.5 billion—has Petrotrin done an evaluation of the cost of this project relative now to the benefit that they are going to gain, to understand whether or not this project is really an economic project or will be an economic project going forward? Has Petrotrin undertaken such? And/or, has the Ministry considered asking, if they have not, is this something that the Ministry would like them to do?

Sen. The Hon. K. Ramnarine: The project, of course, is a project which was conceptualized as a part of the clean fuels programme under the previous board and the previous government. Of course, the ultra-low sulphur diesel plant is one of the projects as part of that clean fuels project. The other project was the gasoline optimization programme which included five plants. Those five plants are completed. This is the final aspect of the clean fuels programme to be completed.

I do not have the answer to the question as to whether that analysis has been done, as to whether or not it will still be economically viable. My own answer to that, if I were to posit a position on that, would be, given the change in the world

Oral Answers to Questions
[SEN. THE HON. K. RAMNARINE]

Wednesday, April 02, 2014

towards the introduction of things like the clean fuel laws and so on in the United States and Europe, that there will be a great demand for ultra-low sulphur diesel globally, so that, certainly, the demand is out there for the product that this plant will produce.

Sen. G. Singh: For environmental purposes.

Sen. The Hon. K. Ramnarine: And I would add, too, that members of the public have been looking forward to a higher quality diesel.

Sen. Small: Further supplemental, if you would permit me, hon. Minister. The intention of the output from the ultra-low sulphur diesel plant, is it to be exported or is it to be blended with the diesel that Petrotrin currently produces?

Sen. The Hon. K. Ramnarine: Senator, that is a good question, and if you were to pose—you see, I do not want to give—[*Interruption*]

Sen. G. Singh: Extempore.

Sen. The Hon. K. Ramnarine: I do not want to extempore; I want to give accurate information to the Parliament, right? So I am sure there is a very good answer to that question which I will provide the Parliament if you ask it. [*Desk thumping*]

Ministry of Energy and Energy Affairs (Inspection Requirements for Operators)

98. Sen. David Small asked the hon. Minister of Energy and Energy Affairs:

In view of the significant effects of the recent oil spill in south-west Trinidad could the Minister advise this Senate whether:

- (a) the MEEA already requires or is considering requesting all operators to provide oil spill modeling and oil spill response plans for their existing oil producing assets;
- (b) the MEEA will consider requesting such plans before production on new prospects begins;
- (c) through the work done over the years by the MEEA inspection unit, whether Petrotrin's oil producing, distribution and storage facilities adhere to the environmental and health and safety practices required;
- (d) if the answer to (c) is in the wholly or partly negative, could this Senate be provided with the number of instances of failures to meet inspection requirements as discovered by the Inspection Unit of the MEEA in 2011, 2012 and 2013; and

(e) given the response to (c) above, the level of confidence that the physical environment around Petrotrin's oil producing, storage and distribution installations meet environmental standards?

The Minister of Energy and Energy Affairs (Sen. The Hon. Kevin Ramnarine): Thank you again, Mr. President. I will get straight into the answer. Part a): the Ministry of Energy and Energy Affairs requires all operators to possess oil spill trajectory modelling and oil spill response plans for their existing oil producing assets in accordance with the requirements of the National Oil Spill Contingency Plan of 2013.

With regard to part (b), the Ministry requires such plans to be produced on application for approval for the operation and production of new prospects.

With regard to part (c), the Ministry conducts an annual inspection of Petrotrin's oil producing and storage facilities, and there have been instances where these facilities have not adhered to all environmental, health and safety practices as required by the Ministry of Energy and Energy Affairs' standards. Where facilities have not adhered to all these standards, a notice of deficiency is issued and the company is required to take corrective action.

With regard to part (d), Senator, I do not know if you want this submitted in writing, or I could read it out, if you do not mind.

Sen. G. Singh: Read it out.

Sen. The Hon. K. Ramnarine: I will read it out. The number of instances of failures to meet inspection requirements as discovered by the inspection unit of the Ministry of Energy and Energy Affairs between 2011—2013, and you would be familiar with the inspection unit of the Ministry of Energy and Energy Affairs. Right? The year 2011: deficiencies brought forward from 2010, 966, and new deficiencies that were observed by the Ministry in that year, 2,085. With regard to 2011—staying on 2011—number rectified, 1,193. 2012, brought forward, 1,858, new, 1,326, rectified, 1,435. 2013, brought forward, 1,785, new, 1,923, and we do not have the number rectified yet for 2013.

But the general point, of course, as you would know, the Ministry of Energy and Energy Affairs' HSC department, which was formerly its operations department in south Trinidad, has that operational remit for the energy sector. Port of Spain is really where your policies and so on are made and your commercial side of the industry is managed.

With regard to part (e), Mr. President, with the greatest respect to the hon. Senator, part e), in my view, solicits an opinion which is not in keeping with the Standing Orders. Thank you very much.

Sen. Small: Thank you, hon. Minister, a supplemental question. Given the high number of hold-overs in terms of the deficiency reports, has the Ministry considered sitting with Petrotrin and trying to understand—or work together with Petrotrin to come up with a plan to make sure that all the deficiencies are brought to bear?

Sen. The Hon. K. Ramnarine: That is exactly what the National Facilities Audit will accomplish. We have, of course, to recognize that Petrotrin, though a company which is now 21 years old, sits on, or inherited assets that are, in some cases, close to 100 years old.

In fact, I want to tell you that I found the well file for the 1867 Darwent well, and the Ministry still has that file which was, of course, inherited by the Ministry from what was then the Department of Mines under the colonial government. So in terms of record-keeping, the Ministry has been around for a very long time when it was the Department of Mines, almost more than 100 years ago.

The point I am making, there are assets that Petrotrin has inherited from Shell, Texaco, BP and Tesoro, that predate Petrotrin's coming into existence in 1993, therefore, that is a legacy issue that we have to deal with. As you know, when the multinationals left Trinidad and Tobago, they left an environmental liability and a facilities liability behind because Trinidad and Tobago was in a totally different world in the 1970s where the emphasis was not so strong on health, safety and the environment, and that is a reality that we now have to deal with today and we will deal with it. [*Desk thumping*]

Sen. Small: Thank you, hon. Minister; further supplemental. I appreciate your response so far. When the plan is completed—the assessment of Petrotrin—will that information be made public, because Petrotrin is an—let me just leave it there.

Sen. The Hon. K. Ramnarine: I do not want to posit an answer to that question because I suspect there may be some legalities around declaring one's liabilities and vulnerabilities and so on, so I will prefer to answer that question in a very structured way, if you were to file that question again. Because I know that internationally, when you visit oil companies and so on, they all are very sensitive about information being put out because these things, of course, especially companies which are publicly listed—and Petrotrin is not publicly listed. So, therefore, I think that is something which, if you ask it as a question, I will provide you with a structured answer, and not an extempore answer.

12.15 p.m.

**Petrotrin
(Resignation of Board/Staff)**

99. Sen. David Small asked the hon. Minister of Energy and Energy Affairs:

Could the Minister advise that in view of the ecological and social disaster caused by the December Petrotrin oil spill whether:

- (a) any member of the Petrotrin Board of Directors has tendered their resignation;
- (b) any member of the Petrotrin Executive Management Team has tendered their resignation;
- (c) any other member of Petrotrin's staff complement has tendered their resignation; and
- (d) any such resignation received at a, b or c has been accepted or rejected and the relevant reasons for such acceptance/rejection?

The Minister of Energy and Energy Affairs (Sen. The Hon. Kevin Ramnarine): Thank you very much, Mr. President. With regard to 99, part (a), no member of the board of Petrotrin has tendered his resignation, and I think the question was specific to the oil spill.

With regard to part (b), no member of the board of the executive management team of Petrotrin has tendered his resignation. Specific again to the oil spill. Right?

With regard to 99(c), no member of Petrotrin staff complement has tendered his or her resignation. We have to be gender neutral with our answers.

With regard to question no. 99(d), no resignations have been tendered in relation to the December Petrotrin oil spill, and that concludes the answer to question no. 99, Mr. President.

Sen. Small: Thank you very much for that very, very good response. Thank you very much, Minister. I have a supplemental question. Does the hon. Minister agree or disagree that the tendering of resignations by senior officials over the spill—*[Interruption]*

Sen. The Hon. K. Ramnarine: Mr. President, in accordance with the Standing Orders, that is the solicitation of an opinion from a Minister, and therefore, not in keeping with the Standing Orders.

STATEMENTS BY MINISTERS

**Government's Success in Reduction
in Food Price Inflation**

The Minister of Food Production (Sen. The Hon. Devant Maharaj): Thank you very much, Mr. President. It is indeed a privilege to rise in this august Chamber to deliver a statement on the Government's success in controlling food inflation.

When this administration came into office in 2010, we met a sector that demonstrated all the classic signs, consequences and manifestations of years of successive neglect and treatment of agriculture as a low priority development issue. There was tangible evidence of chronic levels of undercapitalization, misinformed policy, neglect, disguised importance, back-burner status, and unfulfilled promises.

As such, when the People's Partnership Government took office in 2010, we met:

- a dead coconut industry;
- a severely crippled cocoa and coffee sector;
- a ballooning food import bill;
- a misguided policy directive that pinned the survival of the entire agriculture sector to an inefficient private sector project called TTABA; and
- an inflation rate of around 29 per cent.

Mr. President, in the People's Partnership Prosperity for All Manifesto, this Government promised to make Trinidad and Tobago a food secure nation. In this regard, the Ministry of Food Production developed an action plan for 2012—2015, which premised on the pursuit of increasing the country's food security.

Hon. Members, the Ministry of Food Production used the definition for "Food Security" as defined in the FAO World Summit of 1996 as quote:

"...when all people at all times have access to sufficient, safe, nutritious food to maintain a healthy and active life."

Mr. President, in setting out to do our work, the Ministry of Food Production recognized that the country was on a tightrope as far as food security was concerned, and if action was not taken Trinidad and Tobago may find itself in the unenviable position of having a robust economy and lots of money—thanks to the work of Senators Larry Howai and Kevin Ramnarine [*Desk thumping*—but unable to purchase food due to the unavailability on the global market.

Therefore, the mandate of the Ministry of Food Production as outlined in the National Action Plan was to grow more food locally and make available to citizens, quality (safe and nutritious), affordable foods in sufficient quantities to ensure the nation's food and nutrition security, and in so doing, provide an attractive and profitable livelihood for all producers.

Mr. President, the National Food Production Action Plan 2012—2014 provided a comprehensive plan which aligned resources with national priorities and also created a platform for the national Government and private sector to venture into strategic partnerships to effectively mobilize and utilize available land and marine resources, labour, human resources and technology. It will allow stakeholders to actively participate in the development of a sector with the potential to extend into national economic and social development.

Mr. President, the growth of the sector was also driven by a number of other initiatives including:

- the \$1.9 billion allocation that was made to the sector in the national budget in 2012;
- the launch of the Caroni Green Initiative;
- the strengthening of the agriculture infrastructure across farming communities;
- unprecedented public private sector initiatives;
- the Ministry also revamped and restructured its Agricultural Incentive Programme;
- the increase in the access to lands through the award of leases.

It is envisioned that this approach resulted in the reduction in the food import bill; further reduction in inflation, primarily driven by food prices; creation of sustainable long-term productive employment; and contribution to the diversification of the economy.

Mr. President, allow me to elaborate on some of the outcomes of the work of the Ministry of Food Production over the last year, 2013.

The positive impact of the initiatives within the National Food Action Plan 2012—2015 is now being realized. Provisional data obtained from the Central Bank of the Republic of Trinidad and Tobago on the quarterly Gross Domestic Product showed that the agricultural sector experienced positive growth from the first quarter of 2012 to the first quarter of 2013. The year-on-year percentage change in Gross Domestic Product moved from negative 8.6 per cent in the first quarter of 2012 to positive 5.1 per cent in the first quarter of 2013. [*Desk thumping*]

Statements by Ministers
[SEN. THE HON. D. MAHARAJ]

Wednesday, April 02, 2014

Mr. President, what this translates into is five consecutive quarters of real growth in the agriculture sector. [*Desk thumping*] A historical achievement that no other administration, save the People's Partnership Government can boast about.

In the Government's Medium-Term Policy Framework 2011/2012, one of this Government's nine key initiatives to revitalize the agriculture sector and put it on sustainable footing is to effectively monitor prices and movement of inflation. The National Food Action Plan 2012—2015 reinforces this Government's commitment to reducing the food inflation rate. As such, I would like to report to this Senate, the Ministry of Food Production's performance with regard to the reduction of the food inflation rate.

Food inflation is calculated using the Retail Price Index. Components of the index include: food, bread, cereals, meat, fish, milk, cheese, eggs, oils and fats, fruits, vegetables, sugar, jam, confectionary and so on. Additionally, non-alcoholic beverages such as coffee, tea, cocoa, mineral water, soft drinks and juices.

Food inflation is important to the agriculture sector and the overall economy of Trinidad and Tobago. On a national level, food inflation was the main driver behind the slowdown in headline inflation in 2013. On a year-on-year basis, headline inflation slowed to 5.6 per cent in December 2013 from 7.3 per cent at the start of 2013. Domestic agriculture production accounts for two-thirds of food inflation rate and the other third come from imported agricultural products.

The Ministry of Food Production, under this administration, understands fully the importance of implementing strategic measures to ramp up domestic agricultural production to dampen the food inflation rate. Domestic agriculture production is highly susceptible to adverse weather conditions, so the Ministry of Food Production has been working assiduously towards ensuring that measures are put in place to mitigate against any untoward threats to agriculture production from adverse weather conditions.

The Ministry of Food Production has successfully implemented the Water Management and Flood Control Programme. For the last fiscal year 2013, communal pond storage and water harvesting systems as well as reservoir storage in the Ortoire and North Oropouche river catchments were established; 233 kilometres of water channels were desilted; and irrigation systems were installed on 22 sites.

Furthermore, the Ministry of Food Production has been consistently delivering flood and disaster relief to farmers and fisherfolk since 2010. Under the former administrations, farmers and fisherfolk would have to have waited two to three

years for their claims to be processed. For the fiscal year 2013, approximately \$3.8 million were distributed to farmers affected by floods and approximately \$1.8 million were distributed to fisherfolk affected by bad weather conditions.

Another major approach to ramping up agriculture production has been to increase the acreages of land under cultivation. One of the main strategies undertaken by this administration is the Caroni Green Initiative. Under the former administration, approximately 7,000 2-acre agriculture plots leased to the former Caroni (1975) Limited employees, however, less than 5 per cent were being actively cultivated. In two years' time, the Caroni Green Initiative will move through three phases of production, bringing a total of 5,800 acres of land under active, sustainable and profitable production.

The Ministry of Food Production has also been engaging the nation's farmers in the use of technology and improved strategies to increase agricultural production such as aquaponics, hydroponics and root crop technology. Through these strategic efforts and many more instituted by the Ministry of Food Production, the average food inflation rate has been reduced by 4.9 per cent, moving from an average double digit figure of 13.6 per cent in 2009 under the former administration, to a single digit figure of 8.7 per cent in 2013 under this administration taken from the *Central Bank of Trinidad and Tobago Economic Bulletin*, 2014.

The latest food inflation data available indicate that the food inflation rate for January 2014 was 3.2 per cent while the inflation rate for February continues to be in single digits at 5.2 per cent. As such, Mr. President, the limited resources of our nation's pensioners and that of many single parent households can now enjoy competitive food prices at the nation's markets and thereby feel more assured of being able to provide the relevant nutrition security for themselves and their families.

Mr. President, the Ministry of Food Production remains committed and dedicated to reducing the food import bill, reducing food inflation, creating sustainable employment and contributing to the diversification of the economy, and ultimately increasing the nation's food security.

Mr. President, I thank you. [*Desk thumping*]

Public Procurement and Disposal of Public Property

The Minister of Planning and Sustainable Development (Sen. The Hon. Dr. Bhoendradatt Tewarie): Thank you very much, Mr. President. I rise to lay before this honourable Senate the Public Procurement and Disposal of Public

Statements by Ministers
[SEN. THE HON. DR. B. TEWARIE]

Wednesday, April 02, 2014

Property Bill, 2014. [*Desk thumping*] This has been a matter of some concern for the general public and we are very, very happy to be able to do this at this time. What I want to take the Senate's time to do is to simply locate in context the laying of this Bill in Parliament today. I will try to be as factual as possible and not use the opportunity to generate any debate whatsoever.

The Central Tenders Board Act, Chap. 71:91 was passed by Act No. 22 of 1961. Since then, there have been numerous amendments, the last being by the Finance Act No. 13 of 2010.

12.30 p.m.

By that Act, sections 19(1) and 27B(2) of the Central Tenders Board Act were amended. Section 19(1) was amended to increase the financial limit of a committee of the board from \$500,000 to \$1 million and section 27B(2) was amended to increase the financial limit of fees payable to registered consultants by permanent secretaries, the Chief Administrator of the Tobago House of Assembly and at tenders committee. In the case of permanent secretaries and the Chief Administrator, an increase from \$200,000 to \$500,000, and in the case of a tenders committee, an increase of \$1 million to \$2 million.

Mr. President, in 1997, the draft National Tenders Board Bill was considered by Cabinet but not introduced in the Parliament. A White Paper entitled: "Reform of the Public Sector Procurement Regime A White Paper" was produced by the Ministry of Finance and presented to Parliament in 2005. This was followed by the Public Procurement and Disposal of Public Property Bill, 2006 which was based on the White Paper but this Bill was never debated.

In 2005, the Investment Division of the Ministry of Finance produced a body of rules to guide state enterprises and statutory authorities which include:

- the rules for appointment of tenders committees;
- registration of contractors;
- the application and award process;
- appeals regarding unfair treatment; and
- for the disposal of unserviceable items.

The purpose of the manual was to provide standard procurement procedures and rules to state enterprises not governed by the Central Tenders Board. This is still in effect.

A Legislative Proposal to provide for Public Procurement and Disposal of Public Property together with legislative proposal to repeal and replace the Central Tenders Board Act was laid in the House of Representatives on Friday June 25, 2010. That was the beginning of this new process of addressing the issue of the public procurement reform process during this particular term of Parliament.

A Joint Select Committee was appointed in the First Session of Parliament 2010/2011 of the Tenth Parliament. The committee's mandate was to consider and report on the legislative proposals to provide for public procurement and disposal of public property together with the legislative proposal to repeal and replace the Central Tenders Board Act. The committee was unable to complete its mandate in the time given, and did not complete it before the prorogation of Parliament on June 17, 2011. But the committee requested that its work be saved and referred to any subsequent committee.

The second Joint Select Committee appointed in the Second Session, 2011/2012, of the Tenth Parliament pursuant to resolutions passed in the House of Representatives on Wednesday, November 09, 2011 and Friday, November 18, 2011; and in the Senate, on Tuesday, November 15, 2011 and Tuesday, November 22, 2011, was established. The committee's mandate was to consider and report on the legislative proposal to provide for public procurement and disposal of public property together with the legislative proposal to repeal and replace the Central Tenders Board Act along with the work of the previous committee appointed for the First Session of the Tenth Parliament.

The committee was also required to consult with stakeholders, with experts and with interested persons; to send for persons, papers, records and other documents; to recommend amendment to the proposals with a view to improving the drafts, and to submit a report to Parliament within three months from the date of appointment. Subsequent to that, the committees were appointed and re-appointed with the work saved from each committee until the committee which led to the formulation of policy accepted by this House under my chairmanship was established. I became Chairman of the committee on December 02, 2011.

During its tenure, under my watch, the committee examined the procurement systems of countries that have made notable advancement in the area of procurement. For example, Finland, Canada, United Kingdom, the Philippines, countries of Latin America and Jamaica. The committee also received written and oral submissions from organizations and persons such as the IADB, the Contractor General of Jamaica, the Ministry of Labour and Small and Micro Enterprise

Statements by Ministers

Wednesday, April 02, 2014

[SEN. THE HON. DR. B. TEWARIE]

Development, the Chairman, Procurement Committee, Private Sector Civil Society Group, Mr. Joao Veiga Malta, Senior Procurement Specialist from the World Bank, the Joint Consultative Council, the Chamber of Commerce and environmental organizations.

In previous incarnations of the committee, the Ministry of Finance and the Economy presented to the committee; the JCC presented to the committee and various members of the public were requested to make submissions and these were considered.

The second Joint Select Committee revised the approved policy by amendments made on May 28, 2012. By Cabinet Minute No. 3103, dated November 22, 2012, this procurement legislation was referred to the Legislative Review Committee, and it is from that process that we have gotten to this day. The various policy positions on public procurement were articulated with the Government taking, by Cabinet decision, a policy position which was then discussed by committee, and which, through amendment, finally found its way to Parliament, was debated and approved.

This second Joint Select Committee revised the approved policy by amendments made on May 28, 2012. The second Joint Select Committee issued its final report to Parliament in June 2012, and this was subsequently debated and approved. By Cabinet Note No. 1231 from the Ministry of Planning and Sustainable Development dated November 19, 2012, the Ministry of Planning and Sustainable Development submitted a draft public procurement Bill and accompanying regulations to Cabinet for its approval and agreement that the draft legislation be referred to the Attorney General for vetting and submitting to the Legislative Review Committee for finalization and introduction to Parliament.

By Cabinet Minute No. 3103 dated November 22, 2012, the matter was referred to the Legislative Review Committee. During this period, the Private Sector Civil Society Group was fully engaged and they expressed the desire to make further submissions on the Bill. A Bill was approved by the Legislative Review Committee on August 14, 2013 and again forwarded to Cabinet.

On September 02, 2013, the Finance and General Purposes Committee of Cabinet reverted the Bill to the Legislative Review Committee for further refinement. During this period, the Legislative Review Committee invited the Private Sector Civil Society Group with an opportunity to present and to discuss their points of view. The Bill was finally approved by the LRC on March 17, 2014 and subsequently approved by Cabinet on March 20, 2014. Therefore, I now have the honour, on behalf of the Government of Trinidad and Tobago, to lay the Public Procurement and Disposal of Public Property Bill, 2014 before the Senate.

I also wish to indicate that debate on this Bill will not be initiated until at least three weeks have elapsed from this date, April 02, to allow time for public scrutiny of the Bill in keeping with commitments already made in the public domain.

Mr. President, I thank you for the opportunity. [*Desk thumping*]

**PUBLIC PROCUREMENT AND DISPOSAL
OF PUBLIC PROPERTY BILL, 2014**

Bill to provide for public procurement, and for the retention and disposal of public property, in accordance with the principles of good governance, namely accountability, transparency, integrity and value for money, the establishment of the Office of Procurement Regulation, the repeal of the Central Tenders Board Act, Chap. 71:91 and related matters [*The Minister of Planning and Sustainable Development*]; read the first time.

Mr. President: Before we proceed to the next order of business, it is now 12.42 p.m., I propose to suspend the House for the lunch period until 1.45 p.m. This House will therefore be suspended until 1.45 p.m. when we will resume.

12.42 p.m.: *Sitting suspended.*

1.45 p.m.: *Sitting resumed.*

**JOINT SELECT COMMITTEE
(APPOINTMENT OF)**

The Minister of the Environment and Water Resources (Sen. The Hon. Ganga Singh): Thank you, Mr. President. Mr. President, having regard to correspondence received from the Speaker of the House of Representatives, I beg to move that the Senate agrees to the establishment of the Joint Select Committee to consider the legislative proposal entitled, and I quote:

“The Draft Houses of Parliament Service Authority Bill, 2014” and agree to appoint the following Senators:

1. Sen. The Hon. Timothy Hamel-Smith
2. Sen. The Hon. Anand Ramlogan SC
3. Sen. The Hon. Emmanuel George
4. Sen. Elton Prescott SC
5. Sen. Camille Robinson-Regis

Question put and agreed to.

**FINANCING OF ELECTION CAMPAIGNS
(JOINT SELECT COMMITTEE APPOINTMENT)**

Order read for resuming adjourned debate on question [November 26, 2013]:

Be it resolved that Parliament appoint a Joint Select Committee to propose a legislative framework to govern the financing of election campaigns and to submit its report, with recommendations, to both Houses of Parliament within six months of its appointment. [*Sen. H. Drayton*]

Question again proposed.

Mr. President: The list of those who spoke on prior occasions: on Tuesday, November 26, 2013, Sen. Helen Drayton, mover of the Motion, Sen. The Hon. Dr. Bhoendradatt Tewarie, Sen. Faris Al-Rawi. On Tuesday, February 04, 2014, Sen. Faris Al-Rawi continued, followed by Sen. Dr. Dhanayshar Mahabir, Sen. The Hon. Marlene Coudray, Sen. Anthony Vieira, Sen. David Small. And on Tuesday, February 25, 2014, Sen. The Hon. Devant Maharaj, Sen. Avinash Singh, Sen. Dr. Rolph Balgobin, Sen. The Hon. Embau Moheni, Sen. H. R. Ian Roach, Sen. Elton Prescott SC.

At this stage, Senators wishing to join the debate may do so now. Attorney General. [*Desk thumping*]

The Attorney General (Sen. The Hon. Anand Ramlogan SC): Thank you very much, Mr. President.

Mr. President, this is an important Motion that seeks to have the Parliament appoint a Joint Select Committee to consider a legislative framework to govern the financing of elections and to treat with the matter of campaign financing. The Motion was first brought to the Parliament, just for the historical records, on Friday October 27, 2006, by my colleague, the Leader of Government Business, Sen. The Hon. Ganga Singh, [*Desk thumping*] and it was debated at that time.

It gives us great pleasure now that we are in Government to contribute to this Motion because the Government upholds the tenets of our constitutional democracy and we uphold the beacons of our democracy. We take it that, as been given, there is a need to have a framework to regulate the issue of the financing of elections in this country. That is a given and that is something that no one can get away from.

A strong democracy calls for a proficient and efficient political system. There must be the efficient functioning of political parties without which the representation of the people's views and the reflection of the will of the people

will be thwarted. Political parties, Mr. President, of course require resources, both human, technical and of course, financial resources—voluntary and those that you have to actually pay for to run their machinery. It is small wonder that this is a topic that is engaging many countries in the world as we here seek to debate it in our Parliament.

In fact, in the *Journal of Democracy* it was said:

“The financing of political life is a necessity—and”—not—“a problem.”

The problems that surround this issue, Mr. President, start with defining what is the concept of political finance itself, in the first place. In local parlance we say it is money for electioneering. And since political parties play a crucial part in election campaigns, it is now difficult to draw a line of distinction between the campaign costs of party organizations, the routine expenses, the campaign expenses, the carrying out of policy research, the engaging in political education, the voter registration exercise that political parties must embark upon, the publicizing of their policies and programmes, the printing of a manifesto and, of course, all the trinkets and so forth that come with it.

Now, beyond the campaign and parties, money is spent on direct political purposes in a number of different ways. We have the NGOs and the political foundations and these are really splinter groups that masquerade as NGOs and non-politically aligned groups, when in truth and in fact they are, in fact, politically aligned and politically affiliated. I mean one can easily draw the irresistible inference from the time you walk to the Parliament. When you see certain groups outside with placards and so on, but you know what their political affiliation is, because week after week they come and their agenda, however they choose to disguise it, it is very obvious to the naked political eye and whether—
[*Interruption*]

Sen. Robinson-Regis: Like Cadiz.

Sen. The Hon. A. Ramlogan SC: Sorry.

Sen. Robinson-Regis: Like Cadiz.

Sen. The Hon. A. Ramlogan SC: Yes, and you are right, yes, Fixin’ T&T, yes.

Sen. Robinson-Regis: No, Cadiz.

Sen. The Hon. A. Ramlogan SC: Fixin’ T&T?

Sen. Robinson-Regis: No. Cadiz.

Sen. The Hon. A. Ramlogan SC: I am not hearing you. You see, the issue is that kind of, and you are right yes, they need to fix themselves first before they try to fix anybody else because—[*Desk thumping*—it is really—[*Interruption*]

Sen. Robinson-Regis: The Keith Noel Committee.

Sen. The Hon. A. Ramlogan SC:—because that kind of political lobbying, under the disguise of an NGO, quite frankly, it needs to be unmasked because that too is part of campaign financing because the issue remains a live one. Who is financing some of these groups? Where is the money coming from?

Sen. Robinson-Regis: Who was financing Cadiz?

Sen. The Hon. A. Ramlogan SC: You see, Mr. President, the cost of lobbying, when one considers the cost of the media to advertise, the cost of a political meeting, whether it is the “miking” of the area beforehand, the PA system on stage, the renting of the tent, the water for refreshments—[*Interruption*]

Sen. Maharaj: Chairs.

Sen. The Hon. A. Ramlogan SC: The chairs, the table. All of that, it comes with an expense and of course, in recent times, we have also had the issue of litigation costs where members of political parties are involved in litigation. I, myself, Mr. President, remember having to represent the United National Congress in court on a number of occasions. We had the infamous case involving 18 Members of Parliament who, although duly elected, were not paid a single, red cent of their salaries during the period of an 18/18 tie. And that, if anything undermined and frustrated the democratic will of a people, that did.

I lost that case in the High Court; I lost it in the Court of Appeal but I won it in the Privy Council and there was a massive multimillion-dollar payout as a result of that. [*Desk thumping*] So the issue, Mr. President, is not a simple one for Trinidad and Tobago, when compared to other countries. One aspect and dimension of the debate that I want to focus on today is the constitutional framework and the ramifications of that for any proposal to deal with campaign financing.

You see, in our Constitution the preamble speaks to:

“...a society of free men and free institutions, the dignity of the human person and the equal and inalienable rights with which all members of the human family are endowed by their Creator;”

It speaks about:

“...the principles of social justice...”—and then it speaks about we having—

“...asserted...”—our—“belief in a democratic society in which all persons may, to the extent of their capacity, play some part in the institutions of national life and thus develop and maintain due respect for lawfully constituted authority;”

Now, what does that mean? It means, Mr. President, that the foundation of the Constitution recognized the right of all citizens to play a role in the social, democratic and political process, and it uses the words:

“...to the extent of their capacity...”

Now, the capacity may vary from one individual to the other but it means that to the extent that you are willing and able, the Constitution intended that you should be facilitated.

That dovetails into the fundamental rights that are enshrined.

“The right...to equality of treatment...”

“the right to join political parties and to express political views;”

The right to “freedom of thought and expression;”—and the right to: “freedom of association and assembly;”

What does this bundle of constitutional rights mean? The right to equality of treatment; the right to freedom of expression and uniquely in Trinidad and Tobago, it is a rather unique and peculiar position, but we have a general right to freedom of expression but in addition to that, we have a subset right for freedom of political expression which is part of the negotiated pact at the Marlborough House Conference when we gained independence, negotiated by the forefathers of our Constitution, because they wanted to preserve and protect the right to freedom of political expression in a discrete and independent manner in the Constitution so as to guarantee that freedom.

So important was the right to freedom of political expression that they did not wish for it to be implied or subsumed under the general right to freedom of expression that Trinidad and Tobago is perhaps the only Constitution in the entire Commonwealth to have two rights in the same Charter dealing with the right to freedom of expression. And I make this point because the right to freedom of expression is a two-way street. It means that you have the right to articulate your views and to express those views for the benefit of the public, but it also means you have a right to receive the views, the political views, of others.

That is important because how can one, on the issue of campaign financing, how does one impose a restriction on your ability to contribute and finance and how do you reconcile that with your unfettered right in the Constitution to freedom of political expression? That is the constitutional tension and challenge that the proposals for campaign financing have to address and it is a matter that has not been raised during the course of the debate. And I will come to the various cases to show all over the world that this has, in fact, been a very tight position that they have been trying to find a delicate balance on.

2.00 p.m.

Mr. President our fundamental rights guaranteed in the Constitution cannot exist in isolation and in a vacuum. In fact, a liberal approach, which avoids the austerity of tabulated legalism, is one that advances, in fact, injuncts us to consider a purposive approach to the interpretation of the fundamental rights clause in the Constitution. And what that means is that insofar as fundamental rights are capable of being enjoyed, it is the State's responsibility to facilitate the free and fair enjoyment of those rights by any citizen.

It is for that reason, when I did the case for the Rastafarian movement in this country, *Damien Belfonte v the Attorney General*, I argued, successfully, that even though a man was convicted and sentenced to serve time in prison, the prison authorities were wrong to cut off his dreadlocks in the prison. I argued that that was wrong because the right of freedom of religious belief and observance was one that was capable of being enjoyed even by a prisoner. So if I was a swami and I was imprisoned, I would be entitled, within the confines of the prison, to chant my mantras and to stay there and pray. Whether I was an imam, whether I was Orisha, whether I was Baptist, whether it was Christian, it did not matter. So, insofar as fundamental rights are capable of being enjoyed, the State's responsibility in the Constitution is to facilitate the enjoyment of those rights.

Likewise, therefore, a grey area that we have not touched on is the fact that the Constitution does not contain a right to vote in this country. There is no constitutional right to vote in Trinidad and Tobago and people take it for granted that you have a right to vote. But it was in a case I did, of *Derick Bain v the Attorney General*, where I was seeking to do a case for prisoners' rights to vote in this country. In that case, Derick Bain had been convicted and sentenced to a term of imprisonment in excess of a year, but he had an appeal pending. And I was arguing that the prisoner should not necessarily be deprived of his right to vote.

No one in this country, at the time, had ever examined what is the situation with respect to prisoners and their right to vote. People did not know if they could in fact vote. In that case what emerged is that a policy had been developed by the prison authorities, without any public promulgation, that no prisoner who was serving a term of imprisonment in excess of a year would be allowed to vote. Prisoners who had been sentenced to terms of imprisonment in excess of a year, who had appealed, they would still not be allowed to vote. Prisoners who were on remand, awaiting trial, no matter what the crime is, they would ironically be allowed to vote because they have not yet been convicted. And no convicted prisoner, we were told, who had an appeal pending, would in fact be allowed to vote.

Now, I had argued that case on the basis that a convicted man who had an appeal pending, in law, the sentence is suspended and insofar as any constitutional right was capable of being enjoyed, it was the State's responsibility to facilitate the enjoyment of that right and I could not, for myself, see why, in that situation, they would be deprived of the right to vote because if the appeal is allowed, then the person, the conviction would be overturned and they would have lost their right to vote.

As it turned out, during the course of that case, there were many inconsistent practices in the prison service. In fact, the evidence showed that two prisoners who were identically and similarly circumstanced had in fact been allowed to vote and that case is now a guiding light for the rights of prisoners, as it relates to the question of the right to vote in Trinidad and Tobago.

I mention these cases, of course, not because my learned friend, Sen. Young said that 50 per cent of the work he does is pro bono. Well, almost 90 per cent of the work I did was pro bono. [*Desk thumping*]

Sen. G. Singh: He has to catch up with you.

Sen. Young: No, not in the way he is doing it.

Sen. The Hon. A. Ramlogan SC: No, no. The work I did, I think it is well established. My record of doing pro bono work for the downtrodden in this country is well established. [*Desk thumping*] That cannot be questioned.

Sen. Al-Rawi: The cost to the Privy Council is quite substantial.

Sen. The Hon. A. Ramlogan SC: Yes, indeed, indeed. You must try to reach there sometimes.

Sen. Al-Rawi: I have been there. “You must not be false and outta place.”

Sen. The Hon. A. Ramlogan SC: I know, but you have not addressed them. Mr. President, in Trinidad and Tobago, the question of campaign financing is inextricably intertwined with the question of our fundamental rights in Trinidad, and one has to bear in mind that if we are going to pass legislation like that, it may very well require a special majority, depending on the nature of the provisions we put in it, because it directly impacts on one’s right to freedom of political expression and one’s right to freedom of assembly and association.

The Representation of the People Act, 1967, allows you to spend TT \$50, receive gifts and contributions up to \$5,000, personal expenses not exceeding \$5,000 and, of course, 21 days after the results of the election you file your bills and receipts and so forth. Knowingly making a false declaration, \$1,500 or six months imprisonment; obviously too low and if you spend in excess of the spending caps, then it is a criminal offence.

Now, when this Act was passed, at the time, we had more independent candidates than political parties putting up candidates and that was the political context in which that Act was passed. Of course, now independent candidates are, perhaps, the exception. So there is a clear need to reform the law, as it relates to that.

Now, in this very Parliament, at the Ceremonial Opening at the Fourth Session of the Tenth Parliament in August, last year, His Excellency President Carmona, called on this Parliament to deal with the issue of campaign finance reform and His Excellency said and I quote:

“...Election Campaign Financing is a veritable juggernaut that results in financiers arrogating political power unto themselves and thereby undermining the system of governance.”

He said further:

“This will...build citizen confidence and enhance our system of democratic government.”

Of course, many groups, including the American Chamber of Industry and Commerce, the TTMA, the chambers and so on, came out in support of that statement. And there is no gainsaying that there is a lot of public support for the issue of campaign financing reform. In fact, the call for it is based on the obvious disparity and inequality that takes place around election time. You have to create an environment of fairness, transparency and integrity for all parties contesting

the elections, but that must be matched by the other competing principles of accountability and a code of conduct to govern those who offer themselves as candidates during the elections.

The Secretary General of the OAS, in dealing with this matter, is reported to have said on August 10, 2013, and I quote:

“A reoccurring theme in the run up to these elections has been campaign finance. As in other parts of the world, in most countries of Latin America and the Caribbean, money does not guarantee an electoral victory, but it is essential to be competitive. Politicians and citizens alike complain about the prohibitive cost of campaigns and watchdog organizations warn about the lack of transparency in raising very large sums of money. The absence of meaningful legislation in this arena has contributed to the public’s growing disenchantment with politics, primarily—and most perniciously—among the youth of the region. Campaign financing is vigorously debated before and during an election, but dropped as soon as the ballots are counted. If left unattended, though, this issue will continue to erode the credibility of elections and the political parties that compete in them.”

Of significance is the singling out of the youth to vote, that the young people are disenchanted and disillusioned with the traditional style of politics that is based on the traditional campaign financing laws.

And that is a very important observation that is noteworthy, because there is in fact a growing disconnect between the body politic and the youths and the political generation gap is one that we must seek to bridge, lest we lose the next generation when it comes to participatory democracy in this country.

So, the issue of campaign financing must have at the forefront of it, the need to treat with the large restlessness and disillusionment of the youth vote because they feel somewhat amputated from the political process and how do we reattach them to that political process? How do we reintegrate them into that political process? That is a challenge that faces us all as legislators.

When one looks at the various models around the world, there are two basic concepts: it is either the privately-financed election campaigns, publicly-financed election campaigns paid for by the State, or you have the hybrid, which involves elements of both.

In countries where they have publicly-funded election campaigns, they decide how to allocate the money by two methods: primarily the first depends on the number of votes cast for your political party in the last election. The second

depends on how much seats the party has captured in the existing Parliament at the last general election. And those are the two methods that they primarily use to allocate funding from the State for parties.

Of course, worked into that formula is the fact that there must be a minimum quota of votes that should have been received if you are going with the number of votes cast for a particular party and if you do not cross that minimum threshold, you do not in fact qualify for the financing.

Now, there is no perfect answer to this problem, as I will demonstrate by reference to a few countries, all of the models that they have adopted, they had their own problems with them in every country in the world. The proportional system where you go by the number of votes or the number of seats, you end up seeing so many splinter parties that it ends up making the governance process very difficult and it affects the very stability of the democratic process in the long run. In Norway, for example, in 2010, 18 political parties shared the public-funded pot to the tune of \$210 million, but 18 political parties.

Now interestingly, just by way of a footnote, if you applied that method of public financing, you would see that in many of our elections, the ruling party would not have gotten more funding from the State than the opposition parties because the opposition parties combined together, or by itself attracted more popular votes than the incumbent government. So that, although the first-past-the-post system would have put them into office, the popular vote was not with them and if you use the number of votes cast, then you would end up with the political party in power not getting as much financing.

In 1956, for example, the PNM won 13 seats but received only 38 per cent of the votes cast. The People Democratic Party and the Butler Party and the others tallied 61 per cent of the votes cast.

In 2007, the PNM won 26 seats, as compared to the UNC's 15. But the PNM only captured 45 per cent of the popular vote that year, whilst 51 per cent went to the UNC and COP combined. There are deep-seated implications, in terms of what model you adopt. On the first-past-the-post system, of course, it would never happen that an opposition party or the opposition parties combined could ever get more than the party in government, because on the first-past-the-post system you would go by the number of seats the party has in the Parliament and, therefore, funding will never be able to cross the threshold to the opposition.

Of course, some countries adopt a flat rate vote, which is really a price for the vote, if I may use that expression. But essentially, the money that you have is divided by the number of votes and you allocate that fixed amount per vote, so

that how much ever votes you attract, you will multiply that by that quota and you get the price for vote multiplied and you get how much funding you are to receive.

Now, in treating with these matters, if you allocate public funding in Trinidad and Tobago, do you then bar citizens from privately funding a political party of their choice?

2.15 p.m.

That would strike at the very root and heart of our constitutional democracy as we know it, but more importantly, it will, in fact, interfere with the right of freedom of political expression, and that collision with the fundamental right, is bound to cause grave disquiet amongst our citizenry.

In fact, in the United States of America yesterday, I believe, on April 01, 2014, the US Supreme Court delivered a judgment and it struck down the caps on overall donor limits. Permit me to quote from the BBC News report on this matter, because it is very timely and very relevant:

“The US Supreme Court has struck down overall contribution limits for individual political donors.

The court ruled 5-4”—so it is a slim, slender majority—“that individuals could give to candidates, parties and political groups without observing an overall cap of \$123,200...

Chief Justice John Roberts wrote”—the—“majority opinion”—and said the—“limits ‘intrude without justification’ on first amendment rights, the clause of the US constitution that enshrines freedom of speech.”

Now, critics will obviously say that this ruling has expanded even further, the possibility of big financiers buying their way into the system of government in the United States of America. And it is perhaps a legitimate and valid observation and criticism, but the fact remains, that any attempt to limit peoples’ ability to contribute to parties of their choice, be they corporate citizens or natural citizens, is going to run into this argument about the right of freedom of political expression, which is not just enshrined in our Constitution in a willy-nilly manner, but as I indicated, was a specific dimension to the discussions at the Marlborough House Constitutional Conference, when we were negotiating the pact for independence, when the leaders and forefathers at that time felt that it was very necessary to have that as a separate constitutional right protected in the Constitution.

Financing of Election Campaigns
[SEN. THE HON. A. RAMLOGAN SC]

Wednesday, April 02, 2014

The contrary view taken by Mr. Justice Stephen Breyer who said, and I quote:

“Taken together with [Citizens United]”—which is a previous case—
“today’s decision eviscerates our nation’s campaign finance laws, leaving a
remnant incapable of dealing with the grave problems of democratic
legitimacy that those laws were intended to resolve.’

It’s a very important case about your right to spend your money how you
choose’ ...”

Now, that is a very fundamental statement, and that statement was made by Mr.
Justice Mc Cutcheon, and that is, it is about your right to spend your money how
you choose.

In our Constitution, we have a right to enjoy a right of freedom of property.
The right is, you have a right to enjoy your property and not to be deprived
thereof without due process. Money is already defined as property in this country.
So if we as a Parliament are going to tell citizens that they cannot spend or they
cannot dispose of their property in a particular manner, then that is a very
important restriction that we will be placing. So you see, it does not just touch and
concern the right of freedom of political expression, it also touches your right to
freely use your property as you see fit, in your own discretion.

I am highlighting these challenges, so that we will understand what the
obstacles we will face are, but that is not to say that in principle, the Government
does not agree as I indicated, with the need to have a reform in this area. We
agree totally that—there is need to reform and to introduce some serious
campaign finance legislation, to regulate and control the issue of financing and
the conduct of elections in general.

I remember, I went up as a candidate for the Congress of the People in the
constituency of Tabaquite. And after we talk all this fancy talk, you have to break
it down on the ground, and on the ground, I was—the opposing candidate was Mr.
Ramesh Lawrence Maharaj. I remember walking and everywhere I walked, you
know, people had been given jerseys, caps and so on. So with the money I was
able to raise, I bought some whistles, and some handkerchiefs.

I remember going to this one lady’s house, and you know, I said well, you
know, she said “ah like you yuh know. I will support yuh.” So I gave her a
handkerchief and I saw a little child coming, I gave her a whistle. So whilst I was
talking to her, “she say, ‘but you know ah support you, but yuh eh ha no jersey to
give mih?’ Ah say well, all right, fellas give mih ah jersey, you know, ah had a lil
garbage bag with ah few limited stock. Ah say gih me ah jersey. Ah gih she ah

jersey. Talking and ting, she say, ‘am, is only one whistle you go gih me, ah have grandchildren, you know.’ I say all right, fellas, fellas gih two more whistles. Ah gih she two more whistles. As ah talking to she, she say well, all right eh, ah go support yuh. As ah talking to she, ah lil drizzle come. You know, when ah walk off, she say, em, em, allyuh eh givin out no ambrilla and ting boy?’” And that was the nature of it. I passed back—lower down the road, I saw a truck full with jerseys “and man pelting out” left, right and centre, you see.

So that is on the ground, part of the political culture in Trinidad and Tobago. It is part of the political reality and that is the raw political reality. When you face an election in this country, you—policies and proposals, yes, but before you could get “ah” man to listen to the merits and demerits of your idea, you first “ha to full he belly. Hungry belly man doh listen to belly full man. Bareback man doh listen to man with jacket on.” So you have to have your trinkets; that is the political culture that we have engendered over time and cultivated. So you have to have jerseys; you have to have handkerchiefs; you have to have caps; you have to have key chain holders; you have to have mugs; you have to have calendars; you have to have umbrellas. You have to have T-shirts.

Sen. Cudjoe: Hummers. Hummers.

Sen. The Hon. A. Ramlogan SC: Hammers?

Sen. Cudjoe: Hummers.

Sen. The Hon. A. Ramlogan SC: I do not know about that. I prefer Diana Power Mint instead. I prefer Diana Power Mint, yes.

Hon. Senator: Sweet potatoes.

Sen. The Hon. A. Ramlogan SC: And yes, of course, I see Sen. Singh would say, sweet potatoes, [*Laughter*] we cannot leave that out. But the idea is that there must be some blandishment or else you know, the opportunity to make your sales pitch to market your ideas, is not there no matter how right the technique could be. I saw that with the Congress of the People. I performed creditably. I think I polled the second highest number of votes, [*Desk thumping*] after political leader Winston Dookeran. I almost won. [*Laughter*] But the fact of the matter remains, in politics, [*Interruption*] you are right, that is right, in politics—you are right, there is no room on the podium, on the rostrum, for second place at all. [*Crosstalk*]

Sen. G. Singh: Yeah, but there is a difference between those who lose their deposit.

Sen. The Hon. A. Ramlogan SC: Yes, but there is a tier low down below for those who lose their deposit and thankfully, I did not.

But you know, Mr. President, this is the nature of the game, and when we speak about campaign finance, you have to localize it on the ground, because we have to also treat with those issues in terms of our particular culture, because trying to deal with the issue upstream without dealing with the other problem downstream, that has been created over the years, it is not going to work. That will only serve to widen the gap and the present disconnect in the democratic process which we must try and address.

Mr. President, when one looks at the figures in elections, one-third of the population does not vote on any given time, in any general election. So there is a great slice of social and political apathy in our society, and that is part of the disconnect about which I speak. How do we revive political interest in the democratic process, from that one-third of the population? And a large and substantial and growing number of that one-third, would come from the youth population.

Now, in dealing with this matter, of course, in recent times, the use of advertising by political parties has been at the forefront of political campaigns. That is why in some countries they now try to deal with the matter, by having the state allocate equal time slots for political parties, if they are not giving them direct funding, targeting the advertising of their political policies and programmes.

But in some countries as well, even the media has to disclose not only their political affiliation, and this is something Sen. Vieira has spoken about, and for which the media, I think, came down a little hard on him for. I mean, the media must not be so hypersensitive, such that it is impervious to criticism itself. It is a self-regulating body that plays a very critical role in our society, but the point made by Sen. Vieira, is one that is worthwhile making and deserves due consideration.

We think about political affiliation of the media being disclosed in terms of what slant they are taking. I mean, I heard only yesterday, I heard someone saying, you know, a particular TV station, TV6, seems to be very biased against the Government. The other one is very in favour of the Government and so forth. That is a matter of public perception and they were basing it on the way they covered the debate last Friday in the other place, whereby some newscasts carried the Opposition's contribution in that debate, but actually did not carry not even

one minute of the contribution of the response of the Government, from the hon. Minister of Sport. And that kind of imbalance in reporting does generate that kind of public perception; not only is it unethical and wrong, and unprincipled, but it simply provides fertile ground for that kind of political suspicion.

So what do you do in a self-regulated industry? Do you then divide up the time equally to say I will give the Government four minutes coverage, I will give the Opposition four minutes coverage? The reason that is important is not only because of the growing concerns about political affiliations, hidden or expressed by media houses, but more importantly, in many countries of the world, they are now, as we are seeing from the Rupert Murdoch enquiry, the Leveson enquiry in England, they are now actively looking into the question of political financing by media houses albeit, in some cases either by direct contributions or, indirectly by virtue of heavily discounted prices for political broadcasts of meetings and matters of the like.

So in the United States of America, OpenSecrets.org, Alex Weprin of TVNewser, he said that they had to examine this matter to learn about “the political giving habits of political action committees” which included television networks and other media houses. They examined six corporations, and they found that contributions in various ways were given to:

“congressional committees that regulate the communications industry, and sometimes to House or Senate leaders

CBS”—for example—“57.5 percent of its \$100,000 contributions to Democratic politicians. The largest pool, more than \$2 million, came from Comcast, which owns NBC...”

And, of course, we had Walt Disney through ABC, and ESPN giving the Republicans more than the Democrats. FOX News incidentally and strangely enough, gave “\$759,000,525 so far for this cycle”, most of it going to—sorry, beg your pardon—that is \$759,525 going to the Democrats as “compared to \$251,204 to the Republicans”. It is most interesting. So it means that:

“...while the company PAC is giving to the Democrats, News Corp CEO Rupert Murdoch still donated almost exclusively”—to the Republican party.”

Now, in Trinidad and Tobago, of course, we have also had a history of media personalities becoming directly involved in the politics. We have, for example, under the NAR administration, Mr. Ken Gordon, who became the Minister of Trade, Industry and Commerce. We have the distinguished presence of Mrs. Diane Baldeo-Chadeesingh joining us here, and there is nothing wrong with that,

these are citizens who are entitled to participate in the political process. We have, of course, former UNC Member of Parliament, Mr. Gideon Hanoomansingh. [Interruption] We have Sen. Devant Maharaj.

So there is nothing wrong with that, but you see when it happens, it does give rise to the question in every case, whether the media house they came from, had this lurking political bias, this latent political bias, that was undisclosed and secreted within the bosom of the organization, and whether it affected the way they covered or carried their newscast, or the way they carried or dealt with anything.

2.30 p.m.

But in countries that deal with the question of transparency in the election process, they seek to address this matter by different methods, whether it is through an independent regulatory body which acts as a watchdog; whether it is through self-regulation; whether it is by having a code of conduct, whatever it is; but it is an issue that has come to the forefront of the debate because of the power that the media wields in the electoral and democratic process.

Long time, you campaigned by going door to door, house to house. You still do that, especially in a small country like ours, but beyond that, getting your message across using the media remains the primary method of communication of all political parties.

Now, Mr. President, permit me to take a brief look at some of the jurisdictions that deal with some of these matters. Of course, in Jamaica, the *Electoral Commission Campaign Financing Report* in August 2013 was debated in November of last year and that debate is continuing. What they have done is to set up a National Campaign Fund, which is to be operated by the Electoral Commission in Jamaica and any person can donate to that. They have created a list of impermissible donors, including foreign or Commonwealth States, public institutions, statutory bodies, private companies performing a public service under a contract to the value of \$500,000 and any other organization.

I think the reason they have included statutory bodies and the like there is, of course, in the past, you have had allegations that Petrotrin cars were seen transporting people to vote, entire fleets; WASA cars transporting people to vote. And it is to avoid that kind of direct participation—or indirect as the case may be—by publicly state-owned bodies, which are really owned by all of the people—to avoid that—they have put that in the Jamaican model.

Limits on contributions to candidates and political parties: so they have actually imposed limits. They are debating it. I have not been able to check whether or not the Bill is one that requires an appropriate constitutional majority,

but my own view is that it does. If they have not so drafted it, they are bound to run into problems with a constitutional challenge and my view is re-enforced by the decision from the US Supreme Court today.

But contributions would be tax deductible: it would be an offence to accept donations from an impermissible donor and the total donations by a single donor for a single campaign must not exceed 10 per cent of the party's total election expenses, so that no one person or corporation would be able to contribute more than 10 per cent of the overall expenditure of that political party. Donations, of course, must be for the campaign itself and not for running the everyday administration costs of the operations and offices of the party.

Limits on election expenditure of candidates and political parties: candidates can spend up to \$3 million to promote their candidacy; a political party, \$15 million to promote itself and all its candidates.

Disclosure by candidates and political parties: you must now make an annual report on contributions, loans, expenses, assets and liabilities to the commission. You must keep a disclosure report as a candidate and that disclosure report would highlight gifts and contributions made both to the party or the individual.

Mr. President: Hon. Senators, the speaking time of the hon. Attorney General has expired.

Motion made: That the hon. Minister's speaking time be extended by 15 minutes. [*Hon. G. Singh*]

Question put and agreed to

Sen. The Hon. A. Ramlogan SC: Thank you very much. They have also established in Jamaica a national campaign fund, which is to be operated by the commission.

Campaign advertising and political broadcasts: there would be access to state media on equal terms to other political parties. State agencies: there would be certain restrictions imposed upon them. They are monitoring enforcement powers with criminal sanctions for breach and, of course, there is additional capacity given to the Electoral Commission to conduct forensic audits and matters of the like into the books of political parties.

In North America and Canada, they use the private funding and public state funding—this is the hybrid model that they use—direct public subsidy, as well as private financing by way of donations. You have tax credits for your donations,

personal tax credit, and it is a tiered approach so that you get 75 per cent of the first \$400 contributed. So that, if I contribute up to \$400, you will get a public subsidy for that amount and it goes up to a maximum of \$1,100.

The public funding is done on a per-vote basis, so that it is allocated based on a proportionate system. Interestingly, each registered federal political party, which receives at least 2 per cent of the votes cast in the last election, they get a per-vote subsidy, which is inflation indexed and it is \$1.53 per vote.

The criticism, of course, of this system is that the proportional allocation awarded to parties is based on the number of votes they received in the preceding election and that can change during the life cycle of the Government and it also allows anonymous donations, which can, in fact, add up because you can have a lump sum and break it up, disaggregate it and simply assign it to different persons and you can exploit a loophole in the system.

In the United States of America, in 1971, they passed their Federal Election Campaign Act and that remains the bedrock of their regulation and litigation. You have private funding from an individual, a committee or an authorised campaign. These organizations are allowed to make a donation directly, but certain individuals and organizations are prohibited from so doing. They include corporations, labour unions, federal government contractors and foreign nationals from influencing federal elections. In fact, most of the legislation I have looked at prohibits foreigners and foreign corporations from making direct contributions.

In the case of Citizens United, in 2010, the ban on organizations from using their moneys to independently promote candidates was removed because it was recognized that, as a constitutional right, they had to spend their money as they deem fit. So that, provided they are not making a direct political contribution, they are now entitled to advertise in support of any policy or programme that any political party or candidate might have and it is part of the right of freedom of speech.

You have, from the public subsidy, primary matching grants; you have party convention grants and general election grants. Airtime is offered to candidates free of charge as well as free postage and free meeting rooms to convene and have your meetings. Many candidates, however, refuse the public funding because once you take that public funding, you are no longer allowed to raise funding by way of private contributions; and we all saw what happened in the Obama presidential campaign where all the rock stars and all the actors and the bigwigs in the entertainment industry came out and raised substantial amounts of moneys for the Obama election campaign.

The disclosure and accountability provisions with the Federal Election Commission are quite stringent, but it allows them to monitor the flow of money into the campaign treasury with some degree of ease. The complaint about that is that if you are disclosing the identity of your donors, then you can have the question of political victimization arising and that is a pretty important point especially in a society such as ours.

I remember former Prime Minister Patrick Manning vehemently protesting any criticism of his Government awarding contracts to political supporters of the PNM. He said openly: am I expected to discriminate against those who support me? And today the shoe is on the other foot and the only fair, transparent contract that this Government can award is to a PNM contractor because any time you award it to anybody else, you have the cries of discrimination, inequality, corruption and the whole shebang. It is ridiculous.

The fact that you support a political party cannot be a basis for discriminating against someone. I agree with the former Prime Minister Patrick Manning in that regard, but what it does not mean is that there must be an unregulated, unrestricted, limitless escape hatch for political donations either. So that you have to strike the balance and come down in the middle.

Now, in *Buckley v Valeo*, the US Supreme Court says, and I quote:

“A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues”—involved and—“discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today’s mass society requires the expenditure of money.”

In Europe and in the United Kingdom, you have membership subscriptions, donations and, of course, state funding. They, in fact, allow institutional donations by labour unions and business corporations, but interestingly, the consent of union members is a prerequisite for donations from the labour unions. We have a lot of trade union movements that have morphed into political parties in this country, but that requirement of the consent of the membership of the union has never been a prerequisite in our political system.

In terms of the accountability, they focus on limiting the expenditure of the party instead of the donations that it receives. So that there are two ways to deal with the issue: either you limit the amount that they can spend and that, indirectly, will choke the amount they could receive; or you place the emphasis on the

limitation and how much they can receive and, in limiting that, you indirectly limit how much they can spend. So six of one, half a dozen of the other, those are the two main approaches that are adopted.

You have permissible and impermissible donors which arise. Norway, which is one of the more progressive countries, they use a mixture of private and public, but predominantly public. You have private donations that you can receive from trade unions and so on, but the large majority of their political financing comes from the State by way of direct subsidy.

It is not, however, without its own problems because parties are not always forthcoming with the kind of detailed information that is required and donations from anonymous sources are permitted to be received by candidates with no legal cap. They cannot be received by a political party, but you can have anonymous donations to the candidate and there is no cap on that. So that even there, there is a loophole.

In Sweden, you can receive donations from both private and public sources without any restriction, no restriction whatsoever. All persons and institutions in Sweden can donate to a political party without any legal cap or limit whatsoever.

In terms of accountability, there is no legislation that requires parties to disclose the private sources of financial support. There is a voluntary agreement among the parties to disclose their budgets to each other, but not the names of any specific donor. Of course, the criticism is very clear that there are very few rules that regulate their political parties and as such there is a need for greater monitoring.

Mr. President, in India, you find that you run into similar problems where they have kept the limit of expenditure so low that the artificiality of it, in itself, has bred a culture whereby you have compliance with the law in an artificial manner, but you undermine the law by actually spending two and three times as much as you are permitted. You comply with the law on paper, but in reality it is a different story. That is because of the failure of the Indian Parliament to actually legislate, in a realistic and pragmatic manner, to deal with the reality on the ground and that is that the cost of campaigning has actually gone up. In the same way we measure inflation for everything else, and in the same way there is a cost to doing business, there is a cost to doing politics. There is a cost to that as well.

2.45 p.m.

In South Africa, there is no applicable legislation existing to regulate the conduct of political parties in relation to private donations and funding. And, of course, that has led to problems where the donations can come with strings attached; donations are never disclosed publicly; and they are not regulated in the same way as public funding which is, in fact, given in South Africa, but to a lesser extent.

Kenya, in December of last year, interestingly, Mr. President, passed the Election Campaign Financing Act, 2013 to give the Electoral Boundaries Commission control over money used in political campaigns. The EBC will now supervise candidates, political parties and referendum committees in relation to campaign financing. Its function will include, interestingly, verification of the source of the contribution and the setting of campaign spending limits which, if exceeded, will result in fines of two million shillings or five years imprisonment.

In Kenya, the Act passed last year in December, bans foreign funding for politicians and restricts the role that can be played by non-Kenyans to that of simply offering technical support. It means that politicians will now come under scrutiny and have to account for their donations.

The OAS, Mr. President, has promulgated a model for consideration of member states, and the model seeks to weave all of the good and sift out all of the bad from all of the practical political systems that operate in the world, and that model is one which the Government, in principle, finds most attractive and appealing for Trinidad and Tobago, and it is a model that we think ought to be considered by this Parliament for Trinidad and Tobago.

The good thing about the OAS model is that they have, in fact, given us options where they have actual provisions; it gives you options that you can consider. Interestingly, they make a pitch for gender justice, and they ask that you consider making provisions relating to gender and gender mainstreaming through model legislation to encourage greater participation of women in the Parliament, and to encourage female leadership and candidates in participation.

Now, the OAS model is one which incorporates a lot of what we have said before. It deals with fines and terms of imprisonment if you breach the spending limits; if you do not comply with the reporting requirements; and if your accounts are not kept in order. It allows them to monitor political parties to ensure compliance with the Act; it allows them to check up on advertising and indirect sponsorship of parties, even if it is by way of a simple discount to carry the political broadcast. Its independence is enshrined in the Act and it shall not be subject to the direction or control of anyone or any entity; and it is given real teeth to actually deal with any violations that occur. In fact, some of the powers remind us of our own integrity commission.

Your annual return as a political party will have to give accounts, source of funds, contributions of cash or kind, real and immovable property, the time of acquisition, and they will have the power to even cancel your registration

certificate as a political party if you do not, in fact, comply with those accountability requirements. Your audited financial statements as a political party will be available for public inspection and your list of permissible donors will have to be disclosed. So this is a very detailed code that can govern the question of campaign financing.

Mr. President, the OAS recognizes that this is a matter that will have to germinate in the thought process of each parliament in each country, and that at the ebb and flow of political activism, one will have to consider this matter very carefully.

To quote from the General Secretary, Mr. José Mieguel, he says:

“We are cognizant that each country is unique, with its own challenges and opportunities in this area. This legislation is not meant to be a ‘one-size-fits-all’ solution, but rather an effort to spur public debate and provide suggestions about where and how to start.”

Mr. President, in concluding, I commend the OAS model for as being worthy of consideration by this Parliament by a joint select committee, and I think that the issue is one that is of critical importance to Trinidad and Tobago, bearing in mind the constitutional restraints to which I have adverted earlier, and in closing, I would like to leave us with a quote which says:

“The number one lobby that opposes campaign finance reform in the United States is the National Association of Broadcasters.”

Let us not forget that the media itself has a vested interest in it because the advertising of political parties is, perhaps, a mainstream in the revenue stream of parties.

With those few words, I thank you, Mr. President. [*Desk thumping*]

Sen. Stuart Young: Thank you. Good afternoon, Mr. President, once again and Senators of the Senate. Before I begin my contribution this afternoon, if you will permit me a quick minute to just exchange some pleasantries, I would like firstly to congratulate—and I am glad he returned to the Chamber—Sen. Hadeed on the assumption of his new Ministry. It seems that his predecessor departed with some haste, and then to send some words of warning to Sen. Bharath. I heard him being teased a little earlier about the assumption of yet another ministerial portfolio, and I was being told that he may yet assume even more in the coming days and, lastly, to Sen. Howai, the Minister of Finance and the Economy, we are eagerly awaiting the PWC report on FCB.

Having said that, the Motion that is before this honourable Senate, when I was asked to attend and contribute to it, personally, I find it to be a very important one, and one that is long overdue and ripe for consideration and action more than consideration, because in reading the contribution of Sen. Al-Rawi back in November last year, he outlined for us that there have been two previous debates in two previous parliamentary sittings on this issue of campaign financing and I think it is high time—and we must thank Sen. Drayton for bringing it back to the forefront of public attention, but it is now time that we move forward with it, and we take action on it rather than continue to debate and just give it airtime.

So, I was quite pleased to hear the hon. Attorney General suggest that the Government will be doing something about it. I wonder if they will be able to do something about it before the election that is constitutionally due next year, but that waits to be seen.

Sen. Ramlogan SC: I want to reassure my learned friend that the Government intends to bring this legislation, and to introduce this Bill in January, 2016. Thank you very much. [*Desk thumping*]

Sen. S. Young: Mr. President, I welcome the hon. Attorney General's declaration, and I am sure that he will pass the file over to the hon. Sen. Al-Rawi in May of 2015 next year.

In doing my research to contribute to this honourable Senate, I would like to start by just outlining a very useful article from the Law Library of Congress. It is a summary that covers country reports prepared for Australia, France, Germany, Israel and the United Kingdom. I chose this article because it identifies in a very brief and succinct manner, a number of jurisdictions that have different types of law systems, legal systems—Australia, France, Germany, Israel and the United Kingdom.

There is a common thread running throughout, Mr. President, campaign finance legislation and regulation throughout the world, and I would get to those common threads shortly. So this report covers those jurisdictions. One of the first areas that it deals with is that of private financing. Quite interestingly, to me, in doing the research to contribute to this debate on this Motion, there is both the concept of private financing as well as public financing that exists in other jurisdictions. I had never really understood or appreciated the concept of the public financing which is different per jurisdiction.

I think it would be useful if I am allowed to quote from this article from the Library of Congress and its law library where they talk about sources of contributions, which is one of the threads I would be speaking about this

afternoon, because I think it is very important and the public is very interested in understanding the source of contributions, the source of donations. Where does the source of funds come from? And it seems that most jurisdictions make it compulsory or mandatory that there is a declaration of who is giving the donation and the amount of the donation.

The hon. Attorney General was talking about the constitutionality of it. He is quite correct, in the United Kingdom there has been litigation with respect to if it offends the Article Bill of Rights, et cetera; the European Communities Charter. But, from my personal standpoint, it is not necessarily that you are looking to limit the amount of donations. I think, more importantly, from a transparency and an accountability point of view, Mr. President, it is my respectful opinion that there should be a public declaration of who is giving the funds and the amount.

The hon. Attorney General, a short while ago, maybe foresaw this point coming and said in a society such as ours, there may be a cause for concern about political victimization, et cetera. That is an important point to be flagged, but it is not an insurmountable point, because if we are all on a level playing field and the regulations and the legislation make it mandatory that it be declared, every person donating funds will know in advance, that I must declare the source of funds, and I must also say to whom I am making this donation and the amount of the donation, and that can only assist in transparency and accountability.

If you take a step back and one tries to understand the need for campaign financing, election financing regulations and legislation, one of the main suggestions made internationally, worldwide, is it presents an opportunity for the big players, for the wealthy, for those with deep pockets, to gain in an unjustified and somewhat shadowy manner, a certain level of power to influence the Government at the time or those in the legislature. And this is something—I think that is the driving force behind the need to regulate, to prevent this from happening.

So under “Sources of Contributions”, if I may get back to the article, it interestingly to me stated:

“All countries surveyed permit contributions by physical persons. Australia permits unrestricted private contributions subject only to disclosure requirements.”—which is what I was just touching on a short while ago.

“In Germany, campaign finance law and accountability requirements focus on the party, not the individual candidate. The law is silent on contributions to individual candidates, but they appear to be permissible. These candidates are expected to turn contributions over to their parties.”

So that is the expectation. So you can contribute to your private candidate, the individual candidate, but it is expected that he or she will then filter it back to their specific party.

“France limits the period when the contributions may be made to the year preceding the first day of the election; Israel restricts them to those made by their respective citizens or permanent residents and are not anonymous; and the United Kingdom restricts contributions above £200...to political parties and contributions above £50...to candidates to those made by individuals registered on a UK electoral register.”

Again, you find this is a thread that finds its way to various jurisdictions, that is that political contributions, Mr. President, can only be made by locals and those who have a connection to the local register. In other words, foreign entities and foreign individuals are not permitted to make contributions and, therefore, buy into some level of power with the sovereign government.

“Contributions from corporations are permitted in Australia and Germany while they are prohibited in France and Israel. In the United Kingdom only the following permissible donors can make a donation above £200 to a political party or above £50 to a candidate: a UK registered company, UK registered building society, UK registered limited liability partnership, UK registered friendly/building society, or UK-based unincorporated association.”

Australia is the only jurisdiction that permits foreign contributions but subject to a reporting requirement.

3.00 p.m.

It then gets into the heading of contribution limits. Of course, the basis behind contribution limits is to limit the effectiveness of those with deeper pockets to have a greater influence in the campaign financing, because as the hon. Attorney General said, it does cost money to run a campaign. Within recent times, certainly within my time, in the past—well since 2010 we have seen an unprecedented number of elections take place in the—*[Interruption]*

Sen. G. Singh: You are only four years old. *[Laughter]*

Sen. S. Young: I have become wiser in the last four years by force.

What has happened is we had the general election in 2010, followed by a local government election. We then had the collapse—I mean the two by-elections that took place with people vacating, Members of Parliament vacating their seats.

Then we had the THA election followed by the local government election and, certainly, what we saw—as a layperson observing what was going on—is an unprecedented amount of spending and expenditure taking place during those elections.

We now have the social media; the television campaigning was brutal and ferocious. The amount of money, I understand, that was spent in the THA election alone and by a certain campaign financier, that I will get to in a short period of time, taking so much money, that renting out a whole floor of a hotel, et cetera, these are the ills that we must keep our eyes on—and why Sen. Drayton is telling [*Desk thumping*] the public, we need legislation.

So back to the contribution limits:

“Australia, Germany (except for anonymous contributions in excess of €500 (US\$670)) and the United Kingdom permit unlimited contributions to candidates and registered political parties subject to various disclosure requirements.”

Disclosure is one of the key threads and requirements that I will be focusing on this afternoon.

“France makes a distinction between contributions below or equal to €150 (US\$200) (referred to as ‘cash contributions’) and contributions of more than €150. Contributions of more than €150 must be paid by check or online, with the donor duly identified.”

We have heard various stories of millions of dollars of cash in car trunks, et cetera. This provision is particular and is focused to prevent that because, of course, once there is an electronic transfer or payment by cheque, and it has to go through the financial system, there is a level of transparency and accountability, and traceability, more importantly. I will be focusing a little later on this afternoon on the source of funds.

One of the ways in campaign financing we are finding becoming a frequent way of financing yourself is through the granting of various contracts and money coming back through the pipeline. You then have ceilings on campaign expenditure; another good point that I certainly had never considered prior to doing the research for this debate.

“France, Israel and the United Kingdom impose ceilings on expenditures permitted in elections. Australia and Germany have no such ceilings.”

Then there is the interesting concept, Mr. President, of public funding:

“The United Kingdom does not provide public funding specifically for election campaigns. Australia, Germany, France, and Israel provide such funding. In Australia, France, and Germany, the condition for the funding is a minimum share of votes, 4 percent in Australia, and 5 percent in France.”

Certainly the way the politics in our esteemed twin-island State has evolved from the time we became independent and then a Republic, I am not certain the type of public funding that takes place in these bigger jurisdictions is applicable or can be adopted by us wholesale here, but rather what I have in mind, if we should ever get to that stage to contribute to the specifics of the legislation, is a point that has been touched on previously, which is the use of state media.

I think it is high time and it is essential and important, and certainly before May next year it can be put in place, if not via legislation, certainly via convention that each party has equal airtime on both the state enterprises that are radio stations and television stations. That is only fair.

Sen. G. Singh: You must read the case Rambachan—

Sen. S. Young: I was going to refer to the case of Rambachan that I referred to in the Dominica election petitions which really is where my eyes opened to the abuse by parties of election financing.

Then you have indirect funding, which is an important point that was being referred to earlier and that we found happening within recent times.

“Israel provides free transportation for voters having difficulty getting to the polls. France and the United Kingdom provide special benefits associated with publication of election materials.”

This is a way to balance the playing field, to level the playing field, Mr. President. It is something that should be adopted by the incumbent in allowing and putting in place mechanisms across the board, regardless of the party and regardless of whom a person is going to vote for, they are given an equal opportunity to get to the polling box.

To me, the most important theme, the most important point in this campaign election financing is the following topic, which is financial disclosure. I am certainly not suggesting that what I am about to read would be followed wholesale.

“All...countries surveyed impose financial disclosure requirements with...special election office, committee, or appropriate legislative body, and guarantee public access”—for—“financial data relating to campaign financing. In Australia, candidates, political parties, and donors whose

contributions are in excess of the disclosure threshold must file annual or election period financial disclosure returns with the Australian Electoral Commission, which makes them available to the public.

In Germany, each party must submit an annual financial statement to the President of the Federal Diet. These statements are consolidated in an overall report by each party. The statements and the reports are subject to extensive review by the Federal Audit Office. The reports are published as legislative documents. In France, an independent administrative authority audits the campaign accounts of the candidates, which must be filed after the election. Campaign accounts...are published in a simplified form in the official gazette. In both countries, stringent fiscal and criminal penalties are imposed for serious violations of accounting and disclosure requirements.”

Mr. President, this would be a critical ingredient in any campaign election legislation, and that is the financial disclosure and, more importantly, an independent body. I envisage it can be either the EBC or the Integrity Commission that would be granted the specific and the express powers to audit what has taken place after an election process with the amount of financing that has been generated throughout that election process, and it starts with a mandatory disclosure policy. That mandatory disclosure policy is what I was alluding to a short while ago. It would require the person receiving the donation to disclose whom they received the donation from, the amount of the donation and the source of funds of that donation. Because, as responsible political parties, the question must be asked of people who are willing to donate substantial sums of money: Where has this money come from?

I am certain that no political party in our landscape, in our country, would want to fall prey to any money laundering or use of [*Desk thumping*] illicit money. Certainly this side is very adamant about it and, for example, one example that comes to mind is we had an incident during the last election campaign that is now the subject of litigation, where a certain campaign financier is alleged, of his own evidence, because he had given the evidence to that effect, to have given the sum of \$60 million to a specific party as a contribution, as a loan, as he put it, for their campaign. Sixty million dollars is a significant sum of money for anyone.

Hon. Senator: What about \$20 million from Clico?

Sen. S. Young: Twenty million from Clico is still only a third from one individual, and we will get to that individual. Or, that was the Panday contribution; the Panday contribution was the apartment.

What we have here is the recurring themes that I would like to touch on: one, any of this campaign financing legislation needs to touch on the source of funding; two, the disclosure; three, contribution limits and, four, the ceilings that may or may not be placed on campaign expenditure, that is spending limits. As I was alluding to a short while ago, the reason this is important and the reason we need election campaign financing legislation is because the sums of money that we are seeing, the unprecedented and large sums of money we are seeing being spent on elections within recent time are astronomical, in my humble opinion, and this is something that needs to be monitored.

This is about people contributing to parties and their ability to fund parties, and then presumably to receive something in return. There must be some sort of reciprocal arrangement, a *quid pro quo*, and the current and recurring allegations about party financiers and corruption is not one that is new to us. It is a big issue with election campaign financing, and that is the corruption and several donors who have made contributions then becoming embroiled in corruption allegations. The last time it was the Piarco airport project, and money made by party financiers which has been in our court system for years.

The current issue on the source of funds and declaration of amounts and donations is something that the country is begging for. The time is right for it. I ask that this honourable Senate give due consideration to the Motion that has been proposed by the hon. Sen. Drayton, and that we go ahead and we move towards the appointment of the joint select committee so we can get on with the work, albeit I am concerned that we would not have sufficient time to get it done.

We have consistent cries in the public arena about contractors and requests being made for donations of contractors for the purchase of Christmas gifts, other private initiatives, et cetera, and one of the issues that is directly related to this election campaign financing is the question surrounding the level and the amount of contracts that are being awarded to specific entities. And one of those entities I have seen highlighted within recent times in the press that has me somewhat concerned and really dealing with two state entities, that is WASA and NGC, is that of the entity known as SIS, and the levels of money and awards of contracts that are being granted to this specific entity—and the suggestion, and not only the suggestion, because it was seen in the Tobago House of Assembly election and the financing of the TOP campaign frontally, one of the principals behind this entity, SIS, leading on the ground what was taking place in Tobago and being one of the main people and parties behind the whole campaign taking place in the Tobago House of Assembly election.

Sen. G. Singh: You have information?

Sen. S. Young: Well I had actually received—I had absolutely no connection to politics at that stage, but having had previous—*[Interruption]*

Hon. Senator: You got some?

Sen. S. Young: Yes, I got those types of phone calls.

Hon. Senator: You got something in your mailbox?

Sen. S. Young: I did not get it in the mailbox; I just got the phone calls about concerns about the certain individual whose name I shall not call.

Sen. G. Singh: You are showing your petticoat. *[Laughter]*

Sen. S. Young: I hope it is clean.

Sen. G. Singh: I will tell you about that at the end of your contribution.

Sen. S. Young: Thank you very much, Senator. Also, what took place around that time and what we had heard about in the local media and press was that this specific entity—it was also alleged that he was building houses—*[Interruption]*

Sen. G. Singh: Like Ian Alleyne?

Sen. S. Young:—for Ashworth Jack—well Ian Alleyne had come across on that side recently—and then a palace down in Siparia, and there were all these talks and things surfacing in the media about the connection between this entity and what was taking place.

3.15 p.m.

Sen. G. Singh: That has been refuted in this Senate.

Sen. S. Young: And the recent one that has been brought to my attention is the Beetham Wastewater Plant and what took place, and in particular in looking at the contributions taking place in that other place recently, I heard it being suggested that there were incorrect figures being given by this side. However, I have been provided with a copy of the final report from WASA. And WASA of course, as the hon.—*[Interruption]*

Sen. G. Singh: There is no final report.

Sen. S. Young:—Sen. Ganga Singh is aware of, WASA is the statutory entity charged with dealing with water, water waste, et cetera, and water facilities in our country. And when those experts at WASA had done an estimation, their capital cost estimation for this project was US \$101,450,000.

Of course, we have now heard that the contract has been awarded far in excess of that. There was a suggestion that NGC who was then charged with the responsibility to oversee and deal with this contract, had done their own experts report, and they had come in with, I believe, it was around US \$150 million, and the final contract award being somewhere in the vicinity of US \$165 million. The explanation that was provided by the hon. Minister of Sport was that the WASA estimation did not—[*Interruption*]

Sen. G. Singh: This is not a debate, you know.

Sen. S. Young:—of course, this is all to do with tie back to the campaign financing—include piping and the pipes. However, as is seen clearly here on the table, the majority of the cost of the US \$101 million was actually \$61 million for the piping cost from Beetham to Point Lisas. So, in fact, the pipes were included in the WASA—[*Interruption*]

Sen. G. Singh: I think that if you would recall, hon. Senator, that Minister Roberts in his response indicated that that was a conceptual estimate. It was a high estimate at that time and did not include the granular estimate that they subsequently got from CPG.

Sen. S. Young: Thank you very much, hon. Senator. At the beginning of this report, and I stand to be corrected, and I thank you for guidance, but at the beginning of this report from WASA, the executive summary does refer to the use of CPG consultants, party of Singapore in collaboration with PUB consultants party, [*Crosstalk*] were commissioned by WASA in August 2012 to undertake the technical study.

Sen. G. Singh: What is the date of that report?

Sen. S. Young: This is October 12, 2012.

Sen. G. Singh: I want to thank the hon. Senator for giving way, but my understanding is that subsequently that was a preliminary report. When they did their studies there was a final report, and perhaps you can access that and you would be able to deal with that.

Sen. S. Young: I would be most grateful for a copy of it. So you are telling us now that the consultants that were retained to do this job, and to put forward their expert opinion in some number of pages, actually got it wrong.

Sen. G. Singh: No.

Sen. S. Young: And it went up from the granular—from the high level to the granular—they increased so much from the \$61 million that it took \$50 million upwards.

Sen. G. Singh: I am saying that the final report—that that figure is not the final report figure done by the very same consultants, CPG.

Sen. S. Young: Or, there is a later report that is also labelled “final report”.

Sen. G. Singh: That is the preliminary report.

Sen. S. Young: Thank you very much, hon. Senator. Well, they need to do their work a little more carefully because it says CPG, PUBC, October 12, 2012 and big and bold in the middle it says “final report”. [*Crosstalk*]

So, Mr. President, to get back to the Motion and the need for campaign elections legislation—financing legislation—I think there is no need to give further examples of what is taking place and what may have taken place in the past, and there is nothing we can do to change the past, and certainly one of the reasons I have decided to give of this public service is to try and make a contribution of how we mould ourselves going forward in the future. [*Desk thumping*] I think it extremely important that we learn from the errors of the past, and that what we do is we ensure that those errors do not take place in the future.

And certainly this is one extremely important area because of the sums of money that we are seeing being spent in election financing and campaign financing. There must be a level of accountability and transparency because it is, in our small country, very difficult for me to appreciate how even the most wealthy of private sector can be in a position to contribute 10s, 20s, 30s, 40s, 50s, \$60 million out of their own pocket to campaign financing, and I question all the time, where has that source of funding come from?

The hon. Sen. Hadeed referred to \$20 million; we all know what then happened—

Hon. Senator: What?

Sen. S. Young:—to those institutions. And if it is a bleeding of private institutions, that is one thing, but if there is ever a suggestion that the source of funds, the genesis of the funds, really comes from the Treasury—[*Interruption*]

Sen. Hadeed: Could you indicate who was the recipient of that \$20 million?

Sen. Al-Rawi: Basdeo Panday.

Sen. S. Young: I cannot because I do not know what it is you are referring to. I have a recollection that may be a cheque coming from the failed institutions, but I cannot remember if it was Clico or one of its subsidiaries, et cetera; that I cannot tell you.

Sen. Hadeed: The People’s National Movement.

Sen. Al-Rawi: It was Royal Castle.

Sen. S. Young: Right. So we then hear about the 60-million-dollar loan, et cetera, et cetera. But the point being made is that it is high time that we have legislation in place that deals with the declaration of the funds, who the donor is, where the source of funds came from, and in moving forward—especially as we are about to enter, I understand, another round of campaign financing—it is essential that we, the public, and the people of Trinidad and Tobago, have a level of accountability, there must be some level of transparency to the public as to where these hundreds of millions of dollars that will be spent have come from. And we must be ever vigilant going forward from now into the future, as to ensuring that it is not the Treasury being raped, and it is not our taxpaying money being used in underhanded ways and underhanded manners. And therefore, it is high time that we stop talking about it, and debating in this Senate and the other place, about campaign financing legislation, and what can and cannot be done, et cetera, and it is time that we move forward with it, and we bring in place that legislation.

In concluding—and I promised on the last occasion that I like to think of myself as a surgical speaker, and I do not like to talk just for talking sake to utilize 45 minutes—I would like to end with at least two suggestions that can be put in place between now and the next general election, which is constitutionally due in May of next year, and that is, that I would like to ask those on that side to take the stand and to implement formal policy dealing with equal state media time on radio and television and make it a formal policy going forward. Then also that some consideration be given to, of your own volition, declaring to EBC and the Integrity Commission, et cetera, in some form or format, where the money comes from.

In wrapping up, Mr. President—*[Interruption]*

Sen. G. Singh: Surgery; final, being the end.

Sen. S. Young:—you still have to stitch. You still have to put the stitches. You still have to stitch up and dress. *[Crosstalk]*

Hon. Senator: And you still have to tie the knot, eh. “Doh” worry.

Sen. S. Young: And in putting the final stitches and the dressing and the bandage on it—*[Interruption]*

Sen. Al-Rawi: The final report.

Sen. S. Young:—I would just like to say that we look forward to the receipt of the final report, and that the country be ever vigilant going forward as we enter the season and continue to ask of both, of all sides, where is the money coming from? How much money is being donated? And how is it being spent? Because those are all modes that can be used and abused in the promulgation of what can be considered corrupt and illicit practices. Thank you. [*Desk thumping*]

Mr. President: Sen. Drayton, are you—? I do not see anybody. Oh, sorry. Senator.

The Minister of State in the Ministry of Gender, Youth and Child Development (Sen. The Hon. Raziah Ahmed): Mr. President, I rise to join the debate in this august Senate on a proposal for legislative framework to govern the financing of election campaigns.

I want to thank and compliment Sen. Drayton for bringing this level of conversation to the Senate because it is futuristic, and it is in line with the vision of the People's Partnership Government to provide governance with the deepest form of transparency. [*Desk thumping*] So, it is with pleasure that we put our heads together to come with the best possible proposal in the interest of all our citizens.

The spotlight has been on campaign financing primarily because of the emergence of the new concepts in marketing, things like brand recognition, where it is important to pay the media, or to pay marketing firms to help build brand recognition and to use the new types of media in order to do the necessary communications, advertising and dissemination of information that is necessary when candidates have to compete in a financially competitive environment for election to the House of Representatives in a country.

We have heard some references, during the course of the debate, as to why it is that this conversation has now become so topical. The reasons put forward through several speakers before me, centre around three basic themes. One is that campaign finance reform is necessary because of a need, a perceived need, to limit the influence of wealthy or special interest groups on an election outcome, or to regulate spending for campaigns, or to mandate public disclosure of source of funds. These are credible concerns in most jurisdictions, and indeed we have some patterns to follow.

It was very curious to look at the campaign financing reform action in Jamaica that was referred to earlier. And it was curious indeed to find that, according to the information I have, the penalty for contravening subsection (1) which speaks

to expenditure incurred in respect to a candidate that is unauthorized—well the actual fine for exceeding the limit was \$100 upon summary conviction. I thought again that—and then further on that the expenditure for—“No expenditure shall be incurred in respect of a ...candidate ...by a person authorized in writing by... the candidate...” et cetera. And again the fine for that was a mere \$100. And I wondered what was the expediency of the reform if the penalty is a measly \$100?

We have also heard references to the US model. In passing, I just want to say that the Federal Election Commission in the US, and the whole question of election campaign finance in the US was concretized in 1971. Since then the laws in the US—and I use the US in this instance because the US, you know, it puts itself forward as the model of democracy and advanced forward thinking, and I love the US, and it is very good to follow what they are doing, but when you look at the several revisions and amendments to the Federal Election Commission in the US model, we see that in 1971 the laws came into being, amended in '72, '74, '76, '79, '02, and it indicates that in the whole process of campaign financing reform, there is no easy formula.

3.30 p.m.

There is no model that has achieved, to date, a consensus of best practice, and again we heard earlier in the contribution by the learned Attorney General about the landmark ruling that sort of threw out all of the fancy regulations, Citizens United 2010, that piece of legislation that seemed to have removed all of the limits in the interest of what is called freedom of speech and the essential democratic right of corporations to do what it perceives to be good with its own money.

And therefore, in trying to find a model for what is appropriate, if we are to pursue reform—I looked at a document that was generated by the Commonwealth Secretariat called Political Financing in the Commonwealth, and that document gave an overview of what has been happening in the Commonwealth countries, and in the Commonwealth countries we have political finance regulations and subsidies as the two main categories of how the systems operate. And in the Commonwealth country scenario, you find that there are six common forms of regulations and four main types of subsidies with respect to political finance. And the regulations generally consist of:

1. the ban on corrupt electoral practices, such as the buying of votes.
2. financial deposits for candidates—and these are intended to deter frivolous candidatures;

3. disclosure regulations requiring parties or candidates to submit for official scrutiny or to publish financial accounts;
4. limits on campaign expenditure—for example, ceilings on permitted spending by each candidate for Parliament or ceilings on spending by each of the national party organizations; and
5. contribution limits as well as bans on certain types of contributions—for example, foreign contributions or donations by corporations or trade unions.

And those are the types of regulations that are common among the Commonwealth countries.

In terms of the types of subsidies that are seen in the Commonwealth picture, there are grants to party groups or to individual legislators for research assistance or other facilities, although not officially a form of political subsidy, a proportion of such money tends to be used for partisan political purposes. There is also direct financial payments to parties or candidates from public funds; there are also income tax reliefs, tax credits, matching grants and other forms of tax remission on political donations, and then free or subsidized access to TV or radio for candidates and parties. This is the scenario in the Commonwealth countries in respect of how far political finance regulation has gone.

In the Commonwealth the statistics show that political money or money to fight election campaigns are subject to fewer regulations than in countries that are outside of the Commonwealth. And it is important to recognize that the Commonwealth countries are a bit unique with respect to the lack of regulations in a majority of countries. In fact, a survey of commonwealth countries shows that only 51 per cent of all commonwealth countries were disclosure rules part of the regulations for election financing. Only in 20 per cent of commonwealth countries was there actually a ban on foreign donations; only in 36 per cent of commonwealth countries do we find that there are campaign spending limits for parliamentary candidates; and in only 15 per cent of commonwealth countries was there a ban on political advertising on TV and on radio. And that in general, direct financial payments from public coffers to parties or to political candidates are distinctly less frequent in commonwealth countries than in others, and the commonwealth country model continues to be a valid model in the scenario of countries as opposed to, for example, the US model where there has been a series of rules and regulations, and then the landmark Citizen United 2010 case that speaks to the breakdown in that whole attempt to limit financial contributions in election campaigns.

And indeed, the US election campaign funding according to Reuters, for the 2012 US elections, had a price tag of some \$6 billion and we are seeing now that attempts to cut this short are really not working in the long run because of the number of revisions and the number of times that the law has to be revised. Therefore, a cursory question would be: are we jumping on a bandwagon that is being knocked about in the courts, in lofty legal jurisdictions such as in the US? Are we jumping onto this bandwagon at a time when it has been found that the need for candidates to compete favourably is heavily dependent on financing?

But a more essential question is, why do people fund election campaigns in the first place? Some would have us believe that it is only the big rollers that are important in elections. But people fund election campaigns and people have funded election campaigns for a long time with small contributions. Is it then that an individual who needs to make a small contribution is invalid in this argument, in this proposal for campaign financing reform?

Any intelligent look at why people actually fund election campaigns—I want to begin with a discussion on the purer intentions of people and basically whether it is an individual, a group, a corporation, a company or any other form of grouping of people, in general, you want to support a party that speaks to policy that you prefer and that is why you fund an election. That is why you put your \$1,000 or your \$500 to go to the dinner, or you put more money because, in supporting a certain party you want to see certain policies and certain types of projects being implemented generally for the upliftment of your country or to support your own business enterprise or the direction in which you earn your living.

Let me give you an example: I have long held the view that food security is a critical element in a national sustainable development programme—*[Interruption]*—and I have felt dispassionately enough to have attempted a lobby in my own corner of the world to get people to start backyard gardens to form an initiative so that doing small bits in your own corner, you could contribute, somewhat, to the food basket of the nation and instill in people in your district, in your community, not only the need to provide some food in your own backyard, but the joy and the pleasure of actually reaping a few tomatoes, some melongene from your own backyard.

I get extreme pleasure, Mr. President, when I reap my ginger and turmeric, my thyme, my chives, my peppermint, my other mints, my lemon grass and so on, because I feel in some small way if I can give a bunch of lemon grass to my neighbour, I am contributing to the food basket—*[Interruption]*—from my own table and for some of my friends. I feel that even though I cannot have a mega

Financing of Election Campaigns
[SEN. THE HON. R. AHMED]

Wednesday, April 02, 2014

farm or even a half acre of farm, I feel passionate about food security, and therefore, when a Government puts initiatives, puts into its manifesto that it will address things like food security, then I want to put my money behind that Government. [*Desk thumping*] And that is essentially why people want to put money into election campaigns. [*Interruption*]

So, whether it is an individual sweet potato farmer who has observed under the PNM Government that agriculture was pushed over the precipice of neglect and left to die, and as we heard this morning, under the PNM we had a dead coconut industry, a crippled coffee and cocoa industry, and we have one of the best cocoa in the world. [*Interruption*] One of the best cocoa plants in the world.

Inefficient private sector project like TTABA and so on, why is it that somebody who, for example, left Caroni (1975) Limited to die, in the face of that kind of an example, why would somebody passionate about sweet potato farming or potato farming, for example, seeing the tangible evidence of the performance of the People's Partnership Government through its farming initiatives that has reduced food inflation from 29.5 per cent in June 2010, when the People's Partnership came into Government, to 9.3 per cent in September last year and now 3.2 per cent as of January this year. These are the kinds of initiatives that you want to support in your campaign funding. [*Desk thumping*]

Not only that, but if you are passionate about food security and you understand that the People's Partnership Government has now put forward financial incentives to fight praedial larceny in the forms of dollar-for-dollar for security devices, a 50 per cent rebate on security financing and so on, when praedial larceny is something that has hurt farmers for a long time, why would a potato farmer contribute to the financing of a party that has done nothing for agriculture, when you are really passionate about agriculture? Correctly placed, your money should be placed behind a Government that is putting things in place for farmers, and therefore, it is important to recognize that you have to put your money where your mouth is. [*Crosstalk*]

So in general, whether it is an individual, or whether it is an organization, or a corporation, or a party group, people will put their money behind political parties and behind candidates that promise economic growth, and generally because people are patriotic and ambitious towards the goals of national and sustainable use of our limited resources, people will support good entrepreneurship and global business partnerships and national expansion, because you want to support, with your little bit of money or your big sum of money, something that is positive for all of us in the long run.

Another area where people are keenly interested in this country is in the area of law and order. For a long time we have been complaining about a crime situation and why would anyone in their right mind want to fund, want to put any money into any campaign financing to a party such as the PNM, when under the PNM, initiatives to fight crime were lacklustre indeed? *[Interruption]* And why would you want to limit any interested party in funding any Government, which, through its interventions in capacity building, has reduced murders from 379 in 2010, in the first year of Government, to 248; *[Desk thumping]* where the number of woundings have fallen from 540 in 2010 to 301 in 2012; where the number of narcotic offences have reduced from 482 in 2010 to 224 in 2012; and the reports of burglaries and break-ins from 4,247 in 2010 to 1,842 in 2012?

3.45 p.m.

So the point is that people are willing to fund governments that make a positive difference in the lives of citizens, and one needs to question how much limit you want to put. Of course, what has been argued too, in this Senate, is that there is a view that big bucks campaign financing by corporations and heavy rollers in the contracting industry and so on, suggests corruption in terms of the possibility of kickbacks, and there is a big hurrah about that. But what is the most recent research showing?

At least three recent studies that demonstrated in the developed world where the research is taking place, is that financing by large organizations, large corporations and so on, really harm shareholders when companies align themselves with political parties. So the concept of large corporations putting in large money so that they could get kickbacks has been debunked by the most recent research papers, a 2010 Harvard Law School study by John Coates, the Aggarwal et al study, and the 2012 Coates study, indicate that—*[Interruption]*

Hon. Senator: Aggarwal?

Sen. The Hon. R. Ahmed: Yes, the Aggarwal. A-g-g-a-r-w-a-l—indicated that when large corporations put excessive money into any political party, it is likely to harm their shareholders and the profits of the companies and there are not likely to be any financial gain from any kind of kickbacks or contracts that are perceived to be in the public domain.

There is also the view that big election campaign spending drives electoral results; that if you wanted to push the results a certain way, big spending is going to make all the difference in the world. But most systematic studies in the US where the studies have been done, have shown no effect of campaign financing by

Financing of Election Campaigns
[SEN. THE HON. R. AHMED]

Wednesday, April 02, 2014

financiers on the electoral success of candidates. In fact, what determines a candidate's success is his own ability to communicate ideas and his vision, and that is an equally strong contributor to the candidate's success—his own ability to communicate.

The connection between a government helping somebody that has helped to finance its campaign, I recall in 2007 that the Hindu Credit Union financed the Karen Tesheira election campaign.

Hon. Senator: Um hmm. That is right.

Hon. Senator: Serious?

Sen. The Hon. R. Ahmed: Yeah. That was revealed in the Commission of Enquiry into the collapse of CL Financial and the Hindu Credit Union. Yet, when the Hindu Credit Union bellied up, did the Hindu Credit Union get any help from the Karen Tesheira government? No. The shareholders of the Hindu Credit Union were left in the dark for two or three years until it took the Government of the People's Partnership to come into government to give the shareholders in the Hindu Credit Union some kind of financial redress and actually give them initial payments of \$75,000 each, in the first instance.

So even in the Opposition you see that people who actually financed the PNM, when they needed help, they were just left in the dark, and all of the Hindu Credit Union shareholders were just left out in the dark, a total blackout. Nothing was said to them; they had no idea whether they would get any money, and it took the Government of Kamla Persad-Bissessar SC—[*Desk thumping*—to actually come forward and give the necessary redress, and the promise of financial compensation was given to them, and as far as I am aware they were all paid at least \$75,000 in the first instance, if they had that amount of money.

So there was not that clear linkage between you financing an entire candidate—an entire campaign—who wins and who becomes Minister of Finance, and then there was no help. So that, on the side of the PNM is clear evidence that when you finance campaigns, there is not a direct correlation.
[*Interruption*]

Sen. Robinson-Regis: That is why you all giving SIS seven contracts.

Sen. Maharaj: Only if “yuh name Hindu Credit Union dey wouldn help yuh”.
[*Crosstalk*]

Sen. The Hon. R. Ahmed: So the relationship between political activity— [*Crosstalk and laughter*] So the relationship between political activity and the performance of a firm or shareholder value is really a complex equation and the body of research in this area has established some important findings.

I bring this to the table because of the importance of this debate and the vision of a government that is interested in transparency. Firms employ a variety of strategies to influence the political process in ways that may or should improve their own performance and benefit their shareholders. That is an academic view. Corporate spending decisions and campaign contributions and lobbying efforts are generally made in a rational and strategic manner.

So that, I recall, for example, when, as a daughter of a shopkeeper, in my young years, I was introduced to the concept of the negative list, and that was the first stirrings in me of a political desire because I could not understand why a government would put on the negative list simple things like apples, grapes and peanut butter. I remember as a young girl in a family-oriented business thinking that I would really not put my money to fund a party that would bring these kinds of negative and stringent negative lists on a country and on an economy and on a people, when coming years later I realized that the initiative to put things like apples and grapes on a negative list was supposed to support local food production, when that government did really nothing to support local food production. [*Desk thumping*] In fact, we still have to import simple things like bananas in this country.

So that putting those things on the negative list made no sense and it stirred in me a political desire to use my resources—[*Interruption*]

Sen. Robinson-Regis: Mr. President, on a point of order. Standing Order 35(1), please. What is the relevance?

Hon. Senator: But she is linking it. [*Crosstalk*]

Mr. President: I did think that the Senator was drawing references between political party financing and the fact that she felt that the types of financing that she would support a political party were for those that she found favour with, I thought it was in the realm of the debate.

Sen. G. Singh: Very innovative. [*Desk thumping*]

Sen. The Hon. R. Ahmed: Thank you, Mr. President. It is very easy to understand why it is that some links cannot be made because sometimes we forget that we are talking about campaign financing, and the only reason that you

finance a campaign is because you want to support the initiatives and the policies of that party, and if you did not want a party to win you would not support its policies, and I make no bones about it.

I mean, Mr. President, when former Secretary of State in the US, Hillary Clinton, was in the running for the Democratic presidency nomination, I went to Washington DC and I bought a T-shirt for US \$20 that said “Hillary”, and I wore the T-shirt proudly. And then when she did not qualify, I went forward and I bought a T-shirt that said “Obama” because—[*Interruption*]

Hon. Senator: We would give you one for free.

Sem. Maharaj: “We doh want it, even if it free.”

Sen. The Hon. R. Ahmed: “Ah doh want no red T-shirt.” [*Desk thumping and laughter*] “Ah doh want no red T-shirt and furdernore ah take all meh red clothes—[*Interruption*]

Sen. Robinson-Regis: “And yuh burn dem.” [*Crosstalk*]

Sen. The Hon. R. Ahmed: “All meh red clothes. Yeah, yeah. Doh worry about dat.”

Sen. Robinson-Regis: You have red clothes.

Sen. The Hon. R. Ahmed: Yeah, and green, and blue, and white. Yeah. “You doh own nutten in terms of colour.” [*Crosstalk*]

Anyway, to carry on, why would I take out my \$20 and buy a T-shirt to support the Obama campaign? Because I like the foreign policy of the Democratic party in the United States. I like Obamacare. I think that these are policies that are in the interest of global peace and health for the people and that is why you take your money out of your wallets and you support.

So there is a clear link between the rationale for supporting and supporting. It is not just about saying, “Well, oh, those fellas, big rollers, will give money and, therefore, they would get kickbacks”, which is the entire debate of one side of this Senate. That is all they are concerned about, and they have taken eyes off the real ball, of the importance of this debate to support campaign financing reform in a manner that is conducive with transparency.

In fact, Mr. President, when we look at countries across the world where there are large measures of regulation and subsidy, we find that there are only three countries within the Commonwealth—Canada, New Zealand and the United Kingdom—where there is a significant amount of regulation, they have a large measure of both regulation and subsidy with respect to campaign financing.

Now, this same report from the Commonwealth Secretariat that I referred to earlier, makes an interesting observation, saying that countries that are both lacking in regulations and subsidies are the small states, the micro-states, according to the description in this report, and it names, for example, Antigua, Barbuda, Dominica, St. Kitts, Nevis, St. Vincent and the Grenadines; Zambia, as one of the states that has a population in excess of nine million.

4.00 p.m.

But with respect to the micro-states, it makes the point that it is the small countries that tend not to emphasize too much on campaign regulations and laws because the level of funding and the level of contribution towards campaign financing is not in the vicinity of \$6 billion, such as we see in the larger economies, such as in the US. Therefore, we need to question how heavily do we as a small state, with 1.3 million people, how much regulation and subsidy and reform do we really need to put into place for our election campaigns when we have in the model of the democracy itself in the US, legislation that came in, in '71, and has been changed umpteen times and now debunked—well, not debunked, but certainly by the Citizen 2010 ruling to create a situation where there are always loopholes in the system and always ways and means of forming political action committees or other interest groups that continue to find the funding through the loopholes in the law so that candidates can get the level of funding in order to compete.

We live in a competitive environment, we live in a competitive world, and candidates who want to compete only on communication skills and academia and vision and so on, will find themselves wanting, because 50 per cent of the equation is the fact that you have to have brand recognition, you have to be out there in the media and you have to have the airplay on TV and radio and so on. But it is also interesting to find that in some of the Commonwealth countries there is an absolute ban on TV and radio advertising, whereas in some of the other Commonwealth countries you actually have free TV and radio advertising.

So, Mr. President, I have tried to present some of the pros and cons of the need to go forward with campaign financing regulation and the level with which we must engage in the new regulations that are supposed to come forward, and what has been operative in some of the Commonwealth countries, the smaller ones, the larger ones, as well as in the model democracies, Canada, the United Kingdom, and then what happens in Jamaica, where I pointed out that there was the election funding campaign reform, but the penalty for breaking the law was a

measly \$100. I am still wondering if that was a misprint in the article, but it was repeated twice. So, a \$100 penalty fine is almost as though there was no intention in the law to provide a remedy for breaking the law.

In pursuing the literature too, there is no internationally recognized convention on how campaigns should be financed. Whether, in fact, the public financing approach that uses Government money to pay for elections, the private financing systems that rely on contributions from individuals and corporate donors to fund elections, or the hybrid system that seeks to balance these two types of funding, there is no international convention to indicate that any one of those are better than or worse than. Each one of them has some strength and each one of them has some weakness.

In looking at the issue of where there are regulations, the paper from the Commonwealth Secretariat was very clear that the problem with those countries where there were some laws and subsidies with respect to campaign financing, the issue there was that of enforcement. The issue there was that of enforcement because it was found that even though there may have been laws to regulate or to limit the levels of contributions, it was difficult to actually enforce the laws. What was found in the commonwealth situation in this study was that there was an imbalance in the way the law is enforced, and a very dangerous scenario where both sides or all the parties involved in the election campaigning broke the law in terms of the regulations and the amount of contributions and donations and so on they could receive, there was a dangerous scenario in certain countries where the winning party would now use its power to penalize or to discriminate against, or to bring legal charges against politicians in the losing party because they were now in power and they were enforcing the laws selectively against the opposition and not enforcing the laws to themselves having won the election. Even going so far as to discredit and imprison political opponents. There have been allegations that this has happened in at least one commonwealth country.

So, there is also that problem of enforcement in many, many environments and we need to be careful. Lack of enforcement applies not only to disclosure rules, and there is a reference here to an electoral official in West Africa who cited shortage of funds to administer political finance laws as a core reason for the non-enforcement of the laws. In an East African member state, as a member of the Commonwealth, the lack of authority of the electoral commission to enforce the laws against vote buying, has been given by an electoral official as the reason the practice usually remains unpunished.

So, we need to be practical and realistic in going forward with regulations and laws that are going to limit campaign financing when scholarly research has shown that not only is there the law in place, but there is also the inability

sometimes to enforce the law and the imbalance with which sometimes the law is enforced, and this is a scholarly paper coming out of the Commonwealth Secretariat.

There are also, Mr. President, concerns, for example, in one of the Commonwealth countries where the main opposition party decided in advance of a change in the law which would oblige it to do so, to declare all the donations to party coffers over a certain threshold, this led to a certain amount of evasion of the law because what that party actually did, it created a special trust. So it decided it would declare all the donations to party coffers over a certain threshold, but what it also did was, it went behind the system, in the dark of the night, and created a special trust in which campaign money was now being dumped so that the money that was being used to finance the election campaign was virtually hidden. This is in the literature, in the body of research.

So, Mr. President, it is instructive to look at the various scenarios, the pros and the cons, and to question whether we must go forward with reserve even as we contemplate reform.

There are a few other questions that I wish to speak to in terms of the general aspect of campaign financing.

Mr. President: Hon. Senators, the speaking time of the hon. Sen. Raziah Ahmed has expired.

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

Question put and agreed to.

Sen. The Hon. R. Ahmed: Thank you, Mr. President. So, in contemplating the way forward, I think the questions for the special select committee to really answer, having listened and pursued the debate and for the contributions in trying to weigh the pros and the cons and looking at the scenario, not only in the US and Canada and in the Caribbean, but also in the whole gamut of commonwealth countries, there are a few questions that remain to be answered. I do not know if we actually have the expertise or even the time to find the answers to these questions, but the first question that must be answered is: how can the existence—where it exists—of corruption that is so often associated with campaign financing, be reduced? That is a question that needs to be answered by the committee.

So, there is a perception. Is there evidence? But how can it be reduced if it exists. How can the rising cost of election campaigning be checked? We are looking at \$6 billion in the United States and rising. We are looking at the

situation where President Obama himself decided that he was not going to take federal funding because he did not want to limit the amount of contribution that could go into his financing and because of the competitiveness of the whole nature of trying to win office.

The other question that I think that needs to be answered: is it desirable or possible to reduce the inequalities in financial resources available to rival candidates and parties, and is it possible to limit the advantages of Government parties over Opposition parties? Is it really possible to limit the advantages that a party in Government may have over Opposition parties? And is it desirable or possible to reduce the inequalities in financial resources available to rival candidates? Are we speaking here of making, for example, public funds available for campaign financing such as exists in the US where there is an income tax check—a checkbox in the US, where you could tick on your returns and automatically contribute \$3 per taxpayer towards public funding for election campaigns? Is that desirable? Is that something that will reduce the inequalities between rival candidates?

One of the main arguments for and against funding of parties and candidates from public funds, if it is that in certain commonwealth countries, in the US and in other states there is a model for providing public funds for candidates, then is that something that we need to pursue, is that something we want to move away from? What are the advantages of financial grants—the advantages or disadvantages of financial grants to Members of Parliament and party groups within Parliament? Because this exists within the Commonwealth group of countries and what has been found is that these financial grants are actually being used to finance party objectives.

Also, is it really desirable or practical to oblige parties and candidates to disclose their finances? Is it going to happen, such as happens in other commonwealth countries, where they simply find a way to go behind the system, declare upfront certain things and then set up a special trust and have campaign money going there because the legislation does not speak to anything like a trust? In fact, one of the new recommendations coming into the public domain about the way to finance election campaigns is through the system of blind trusts where the actual candidate will not know who has actually contributed.

4.15 p.m.

The last general question in going forward is: is it desirable or possible to control foreign political donations? Some countries have rules and regulations to control it, in some places, it is banned. In the US, it is banned but I do not know if it qualifies that if I put my US \$40 to buy two T-shirts, that is actually foreign, a little, perhaps, insignificant, but if I wanted to, I could probably buy 100 T-shirts or 200 T-shirts.

Is it desirable or possible to control foreign political donations? In our jurisdiction, for example, we have no regulation, and in a number of commonwealth countries, they have no regulation to govern those kinds of things, but do we want to really have regulation to govern those kinds of things.

So, Mr. President, in conclusion, let me just say that the need for candidates to campaign, for candidates to pay for media, to build brand recognition, the need for candidates to communicate, to provide memorabilia, to provide tokens and gifts to satisfy the curiosity, the need, the desires, of their constituents to feel a sense of ownership by actually wearing a free T-shirt or actually buying a T-shirt—*[Interruption]*

Sen. Ramnarine: Whistles.

Sen. The Hon. R. Ahmed:—to have whistles, flags to wave—*[Interruption]*

Sen. Young: Handkerchiefs.

Sen. The Hon. R. Ahmed:—handkerchiefs to put in their pockets—nice little squares and so on—among other things; the need to continue to fund social media to use the new and fast-growing means of communication and so on are all driven by money, and money in politics is not going to go away. Candidates are becoming more and more competitive, more and more innovative.

The underlying motive, I believe, as a patriot and as a national of this country, is to finance a party that will bring forward the best interests of the people for sustainable and prolonged development and growth, in the best interest of our women, our children, of our aging populations. And therefore, whether it is a corporation or an individual, it is an expression of a freedom—a freedom which is a pillar of democracy for an individual or a corporation to be able to fund a party or a candidate to help that person's campaign for the betterment of all our people.

Mr. President, I thank you. *[Desk thumping]*

Sen. Shamfa Cudjoe: Thank you, Mr. President. Thank you, colleagues. It is, indeed, a privilege to join this debate on campaign finance and establishing a joint select committee to treat with formulating or developing policy or legislation for campaign financing and electioneering.

Sen. Ramnarine: You have 11 minutes.

Sen. S. Cudjoe: Yes, 11 minutes. But, I must say, Mr. President, it is always so enlightening and so refreshing to hear Sen. Raziah Ahmed. She has probably spoken for her third time in this House, and I always look forward to hearing her very innovative contributions. I am always surprised as to how her mind thinks—very, very innovative, indeed.

It is just interesting that at this time the United National Congress, or the People's Partnership, claims to be so passionate about campaign finance reform when for all these years, for the past three years or so, the region has been engaging in talks and workshops on campaign resource. The People's Partnership, not one of their Members had decided to go to participate in any of these workshops or conferences. [*Desk thumping*] The OAS, the IDEA, the Caricom—and, Mr. President, and not one of them attended or supported or contributed or participated in any of these conferences.

Sen. G. Singh: Would the Senator give way? I just want to correct the hon. Senator, the hon. Attorney General attended an OAS conference dealing with the whole question of campaign finance reform.

Sen. S. Cudjoe: When, please?

Sen. G. Singh: I can recall the Cabinet Note but I cannot give you the exact date.

Sen. S. Cudjoe: As far as I am aware, over the past three years, these conversations have been happening, these discussions and this discourse, and I am not aware of their party participating at all. [*Desk thumping*]

I know since 2011, the hon. Dr. Keith Christopher Rowley, the Leader of the Opposition, had been calling for campaign finance reform and legislation to treat with campaign financing. He has attended the OAS conferences. As a matter of fact, the OAS Secretary General has paid a courtesy call on Dr. Rowley at his office here in Trinidad and Tobago. Were they involved? No, Mr. President, so I am shocked. I am shocked. [*Desk thumping*] But I welcome your contribution, Sen. Ahmed.

Mr. President, I want to respond to some of the things that Sen. Ahmed said. It is interesting that these things were considered relevant but we are guided by your instruction and your guidance. I am always disturbed and sickened and disgruntled when the Government always tries to politicize murder and crime in this country, treating it as a political matter, saying this Government would have brought down murders from a certain figure to a certain figure.

Crime should not be politicized because it is this same People's National Movement that they blamed for driving up crime in Tobago that would have been responsible for putting down crime in Trinidad, for putting down crime in Tobago. We can still speak of our murder rate always under double digits and crime and murder rate and so on in your community is based on how you raise

your families, how you raise your students, how you operate in your churches, in your villages, in the community and the society that you raised. No, no, I am not giving way this time.

Sen. Al-Rawi: Give him way “nah”.

Sen. S. Cudjoe: He will get way at about 4.25 p.m. [*Laughter*] Mr. President, Sen. Ahmed talked about the kind of political parties that she would give her financial contribution. I would like to say I would not give my financial contribution to a political party that is responsible for driving Trinidad and Tobago down on the corruption index by nine places. [*Desk thumping*] There are so many things that I would like to respond to from Sen. Ahmed’s contribution but my mother said, “If you are not going to say anything good, do not say anything at all”. So, with that said, I will move right along.

Mr. President, as I proceed, allow me to congratulate Sen. Helen Drayton on bringing this Motion at a very timely moment. [*Desk thumping*] It is a hot topic all over the world and I think it is something that we should be particularly interested in, not just because we have kicked into election mode or election gear once again, as the general election is going to be held—constitutionally due—in the next 14 to 15 months, but also because of where we are situated. I think that it is a blessing that we are situated in the Caribbean and also sometimes I see it as a curse because we are right between the drug-producing south and the drug-consuming north, and we have to treat with all the implications that come with that, as it relates to narcotic trading and drug money. Drug money could find its way into financing governments and financing political parties and this can severely corrupt and subvert democratic institutions. So, I think having the necessary rules and regulations and policies to treat with campaign financing, it is very critical as it relates to improving and enhancing the integrity of our election processes.

Mr. President, at least 14 Senators would have spoken before me so I would not want to repeat anything that they would have said so I will try to simply— [*Interruption*]

Sen. G. Singh: Get innovative!

Sen. S. Cudjoe: No, no, I do not want that kind of innovation at all. [*Laughter*] So I will just get to my two cents.

Mr. President, we have witnessed under this Government, under this particular administration, four elections: the local election of 2010, the Chaguanas by-election of 2013, the Tobago House of Assembly election of 2013— [*Interruption*]

Sen. Al-Rawi: That was a blood bath!

Sen. S. Cudjoe:—and the local government—[*Interruption*]

Hon. Senator: “And ah white wash.”

Sen. S. Cudjoe: “Ah red wash”—election in 2013. So we are very, very well aware of our election climate and our campaign financing climate. This Motion calls on this honourable House to appoint a joint select committee to propose a legislative framework to govern the financing of election campaigns and to submit its report with recommendations to both Houses of Parliament within six months.

Now, I want to place on the record my agreement with many of the concerns that were aired by Sen. Faris Al-Rawi and Sen. Vieira. Now, Sen. Al-Rawi would have spoken to the challenges of bringing this Motion to life as stated here, and I would like to see an amendment so we can really get this thing going and it could be effective. Because there are challenges as it relates to having the joint select committee be from both the Upper House and the Lower House due to a Motion that originated in the Upper House, that Motion will also have to be laid in the Lower House. So I hope we can come up with a way to fix that so we can have a joint select committee and we can really get to this in six months.

Sen. Ramlogan SC: “So what yuh proposing, Shamfa?”

Sen. S. Cudjoe: No, I do not want to repeat the things that were said by Senator—[*Interruption*]

Sen. Ramlogan SC: What are you proposing in terms of the committee?

Sen. S. Cudjoe: In terms of the committee, if we can consult with the Lower House to see if there is a way we can have that—[*Interruption*]

Sen. Al-Rawi: Is the Government giving an undertaking to table the same Motion in the House? [*Continuous crosstalk*]

Sen. S. Cudjoe: Allow me to go on. Mr. President, I want to state on the record the challenges that I have found with the Motion that was laid and we can work out how we are going to treat with that to bring this thing to life.

Now, the definition of political parties does not exist in any of our current pieces of legislation and that is something that poses a serious hindrance to creating legislation for political parties because we must first define what a political party is. Now, for the report to be brought back to Parliament within six months, based on the schedules or the items on the Lower House Order Paper, it

might be difficult to get this Motion on the Order Paper before the session closes in June. I also think that this is an issue that calls for widespread consultation, within the Parliament—yes, among parliamentarians—within the political parties and the Executive, your stakeholders, your financiers, everybody who is interested; all political entities that contribute to the whole issue of electioneering and campaign financing.

4.30 p.m.

I know for the People's National Movement, our policy is that these issues must be discussed at general council and we must consult issues of this nature with general council before we give an undertaking and I am sure the same thing would exist—oh, let me allow Sen. Singh to say what he wanted to say. I had promised at 4.25 p.m.

Sen. G. Singh: I will say it on the next occasion. You go ahead.

Sen. S. Cudjoe: Oh, you will say it on the next occasion, how nice! Always such a gentleman; the very few gentlemen—anyway. [*Laughter*] Mr. President, also some of the Senators that would have contributed before I did—sorry, it is 4.30 p.m.

ADJOURNMENT

The Minister of the Environment and Water Resources (Sen. The Hon. Ganga Singh): Thank you very much, Mr. President, and thank you Sen. Shamfa Cudjoe. I beg to move that this Senate do now adjourn to Tuesday, April 08, at 10.00 a.m. Subject to the conclusion of the Finance Bill in the House, we will debate the Finance Bill.

Mr. President: Are there any matters on the adjournment, Leader of Government Business?

Sen. The Hon. G. Singh: Mr. President, there are matters on the adjournment but, by agreement, it will be adjourned to a subsequent sitting of the Senate.

Question put and agreed to.

Senate adjourned accordingly.

Adjourned at 4.32 p.m.